



Committee of Insurance, Securities and Non-Banking Financial Authorities

ANNUAL REPORT 2013

CISNA Vision and Mission

Our Vision is *“To promote and maintain financial stability and growth in SADC through a sound, harmonised regulatory framework and the effective supervision of NBFIs.”*

Our Mission is *“To achieve CISNA’s vision through championing a process of collaboration, engagement and co-ordination between regional NBF1 regulators and stakeholders.”*

CISNA will strive to achieve its Mission through:

- pro-actively identifying and mitigating systemic risk;
- harmonising and enhancing regulatory frameworks to facilitate industry growth and access and to ensure consistent, effective supervision/enforcement;
- ensuring regional adherence to applicable global principles, standards and best practice
- fostering liaison, co-operation and exchange of information between regional and international
- bodies and agencies to develop regional capability, counter money laundering and the financing of terrorism;
- facilitating the development of competent and professional regulatory capacity;
- facilitating well informed investors and consumers;
- promoting the development and deepening of non-banking financial markets; and
- promoting adherence to sound corporate governance practices.

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Glossary

AIS	International Association of Insurance Supervisors
AML/CFT	Anti-Money Laundering and Combating the Financing of Terrorism
ANG	Angola
ATS	Automated Trading System
BOT	Botswana
CA	Contribution Agreement
CAP	Common African Position
CCBG	Committee of Central Bank Governors
CG	Corporate Governance
CISNA	Committee of Insurance, Securities and Non-banking financial Authorities
CMS	Capital Markets Sub-committee
COMESA	Common Market for Eastern and Southern Africa
COSSE	Committee of SADC Stock Exchanges
CSD	Central Securities Depository
CSTO	Committee of Senior Treasury Officials
DRC	Democratic Republic of the Congo
EAC	East African Community
EPA	Economic Partnership Agreement
ESAAMLG	Eastern and Southern Africa Anti Money Laundering Group
EU	European Union
FATF	Financial Action Task Force
FIP	Finance and Investment Protocol
FRC	Financial Regulatory Council
FSB-RCG	Financial Stability Board Regional Consultative Group
GDP	Gross Domestic Product
GPW	Gross Premiums Written
ICT	Information Communication Technology
IOPS	International Organisation for Pension Supervisors
IOSCO	International Organisation of Securities Commissions
LES	Lesotho
M & E	Monitoring and Evaluation
MLW	Malawi
MoU	Memorandum of Understanding
MMoU	Multilateral Memorandum of Understanding
MRT	Mauritius
MS	Member States
MTSP	Medium Term Strategic Plan
MZQ	Mozambique
NAM	Namibia
NBFIs	Non-Banking Financial Institutions
RBS	Risk Based Supervision
RISDP	Regional Indicative Strategic Development Plan
SA	South Africa
SADC	Southern Africa Development Community

SSA	Sub-Saharan Africa
SEY	Seychelles
SPPRC	Strategic Planning and Performance Review Committee
SWZ	Swaziland
TW	Tanzania
USD	United States Dollar
WFE	World Federation of Exchanges
ZAM	Zambia
ZIM	Zimbabwe

Authorities within CISNA

The CISNA members consist of Non-Banking Financial Institutions (NBFIs) regulators from the 15 SADC member countries:

SN	SADC Member		CISNA Member
1		Angola	<ul style="list-style-type: none"> • Comissão do Mercado de Capitais (Capital Markets Commission) • Angolan Agency for Insurance Regulation and Supervision
2		Botswana	<ul style="list-style-type: none"> • The Non-Bank Financial Institutions Regulatory Authority • Ministry of Finance and Development Planning
3		Democratic Republic of Congo	<ul style="list-style-type: none"> • Non-Participating
4		Lesotho	<ul style="list-style-type: none"> • Central Bank of Lesotho
5		Madagascar	<ul style="list-style-type: none"> • Non-Participating
6		Malawi	<ul style="list-style-type: none"> • Reserve Bank of Malawi
7		Mauritius	<ul style="list-style-type: none"> • Financial Services Commission
8		Mozambique	<ul style="list-style-type: none"> • Instituto de Supervisão de Seguros de Moçambique (ISSM) • Banco de Moçambique
9		Namibia	<ul style="list-style-type: none"> • Namibia Financial Institutions Supervisory Authority
10		South Africa	<ul style="list-style-type: none"> • Financial Services Board • South African Council for Medical Schemes
11		Seychelles	<ul style="list-style-type: none"> • Financial Services Authority, Seychelles (FSA Seychelles)

SN	SADC Member		CISNA Member
12		Swaziland	<ul style="list-style-type: none"> Financial Services Regulatory Authority
13		Tanzania	<ul style="list-style-type: none"> Capital Markets and Securities Authority Tanzania Insurance Regulatory Authority Social Security Regulatory Authority
14		Zambia	<ul style="list-style-type: none"> Securities and Exchange Commission Pensions and Insurance Authority
15		Zimbabwe	<ul style="list-style-type: none"> Securities and Exchange Commission of Zimbabwe Insurance and Pensions Commission Reserve Bank of Zimbabwe

Chairperson's Report

Introduction

On behalf of the SADC, it is my pleasure to introduce the CISNA's second Annual Report. SADC is a regional forum representing 15 member states located in Sub-Saharan Africa whose mission is to promote sustainable and equitable economic growth and socio-economic development. This is achieved through efficient productive systems, deeper cooperation and integration, good governance, and durable peace and security for the region to emerge as a competitive and effective player in international relations and the world economy.

The CISNA falls under the SADC Directorate of Trade, Industry, Finance and Investment (TIFI) which is mandated with the coordination of regional trade and financial liberalisation. The TIFI Directorate also facilitates competitive, diversified industrial development; increased investment and the integration of SADC into the global economy; and fostering of regional integration through the SADC Free Trade Area (FTA). The Directorate's mandate is aimed at contributing to SADC's ultimate objective of poverty eradication in the region.

The Insurance and Retirement funds Sub-committee received a presentation from SADC Secretariat on the SADC Regional Customs Bond Guarantee. The sub-committee requested Plenary to consider and approve that CISNA should own and implement recommendations relating to the Regional Customs Bond Guarantee, and engage the Legal technical committee to facilitate the required coordination on the matter. Whilst this initiative and its potential benefits are welcomed by CISNA, the Plenary requested further exploration of possible challenges that could result from this initiative. For these reasons, the matter was referred back to the sub-committee for further discussion. The sub-committee will revert back to CISNA Plenary with recommendations.

The CISNA contributes to the implementation of the Protocol on Finance and Investment (FIP), which was established by SADC in 2006 to accelerate growth in the SADC region through increased cooperation, coordination and management of macroeconomic, monetary and fiscal policies. Annexure 10 of the FIP sets out the scope of CISNA and brings together the regulatory authorities in SADC member states responsible for the NBFIs. It aims at contributing to the sound regulation, effective supervision and rapid development of the NBFi sector.

In addition to SADC's strategies and protocols, CISNA's strategy and mandate should substantially conform to appropriate global best practices as set out by international standard setting bodies. In fulfilling the FIP, SADC Secretariat continues to provide CISNA, to the extent possible, with the necessary resources to undertake various activities and initiatives.

As we move towards regional integration, the work of CISNA is critical in the delivery of financial services to the citizens of SADC. I commend CISNA on delivering to its strategic objectives and those of the overall SADC.

Election of CISNA Executive Committee (EXCO)

The term of office of the Chairperson and Vice-Chairperson of CISNA, Insurance and Retirement Funds Sub-committee, and the Capital Markets Sub-committee ended in September 2013. The elections of the new EXCO, including endorsement of the elected Chairperson and Vice-Chairperson of the SPPRC for the period October 2013 to September 2015, were held. The newly elected EXCO members are:

- a) CISNA Chairperson: Mr Oaitse Ramasedi, Botswana;
- b) CISNA Vice-Chairperson: Mr Tafadzwa Chinamo, Zimbabwe;
- c) Chairperson of the Capital Markets Sub-committee: Ms Kuki Kowa-Mophuting, Botswana;
- d) Vice-Chairperson of the Capital Markets Sub-committee: Ms Grace Berejena, Zimbabwe;
- e) Chairperson of the Insurance and Retirement Funds Sub-committee: Mr Samwel Mwiru, Tanzania;
- f) Vice-Chairperson of the Insurance and Retirement Funds Sub-committee: Ms Wilma Mokupo, South Africa;
- g) Chairperson of the SPPRC: Dr Wala Chabala, Zambia;
- h) Vice-Chairperson of the SPPRC: Mr Sandile Dlamini, Swaziland; and
- i) Ex-officio members include the CISNA Secretariat and the SADC Secretariat

CISNA Executive Officials Meeting

The Executive Officials meeting reviews the implementation of the CISNA Strategy to date and to determine whether the Strategy is delivering on its objectives, and it also re-emphasises member commitment to CISNA's overall objectives. The meeting is attended by Chief Executive Officers of CISNA members or any person fully mandated to represent a Chief Executive Officer. The meeting was chaired by the CISNA Chairperson. The meeting reports to CISNA Plenary through the CISNA Chairperson.

In accordance with the CISNA Strategic Plan, the Secretariat arranged a meeting of the Executive Officials of the CISNA members on 02 October 2013 in Namibia. All CISNA members were represented, with the exception of Seychelles and Mozambique. The main purpose of the meeting was to review the progress made in the implementation of the 10 strategic goals of CISNA. The following are the observations made and decisions take in respect of the progress in implementing the goals:

a) To build the internal capability to ensure that CISNA is able to execute successfully on its mandate

The following progress was noted in building the internal capacity:

- The establishment of the CISNA EXCO and the SPPRC responsible for formulating and monitoring the implementation of CISNA Strategic Plans related initiatives;
- The development, and recent adoption of the CISNA structure, rules and procedures document (previously referred to as the Constitution of CISNA) by the CISNA Plenary. The document aims to provide a detailed description of the institutional framework of

CISNA, the rules members should abide by as well as the procedures that need to be followed in respect of certain activities, e.g. admission of members and observers;

- The executive officials attend the annual Executive Officials meeting to assist in giving strategic direction. The first and second meetings under the 2011-2015 Plan took place in Mauritius in October 2012 and Namibia in October 2013; and
- A concept paper on the establishment of the permanent secretariat for CISNA was presented at the CISNA meetings held in Angola in April 2013 and October 2012 in Mauritius. At the Namibia meeting, the establishment of the permanent secretariat was deferred for reconsideration at the next Strategic Plan period 2016 to 2020, unless the review by the SADC Regional Indicative Strategic Development Plan (RISDP) directs otherwise.
- To ensure continuity and effective functioning of the technical committees, it was agreed that membership should be individual based and that members should be consistent in their meeting attendance.

b) To foster liaison, co-operation and exchange of information between regional and international bodies and agencies

The following developments were noted:

- The CISNA training technical committee was established to facilitate training on, *inter alia*, relevant international best standards;
- Whilst CISNA members' representation in the international standard setting bodies has not been fully accomplished, members are increasingly considering assuming membership in bodies such as the International Organisation of Securities Commissions (IOSCO), the International Association of Insurance Supervisor (IAIS), the International Organisation of Pensions Supervisors (IOPS); and the Financial Action Task Force (FATF). This will result in the improved membership of international standard setting bodies by CISNA members in the near future;
- Introduction of regional supervisory colleges for group-wide supervision of insurance entities (one pilot study on Old Mutual took place in South Africa in August 2013);
- All CISNA members are signatories to the CISNA Multilateral Memorandum of Understanding (MMoU);
- On-going conclusion of bilateral MoUs between CISNA jurisdictions; and
- Improvement in membership of international standard setting bodies.

c) To facilitate the development of competent and professional non-banking financial institutions (NBFI) regulatory frameworks

- The CISNA Training Technical Committee has been established and is currently implementing a training programme for CISNA members.

d) To facilitate wider access to non-bank financial products and services

- CISNA is continually promoting wider access to non-banking financial products through the inclusion, in its scope of work, of products such micro-insurance, micro-finance, medical aid schemes, etc.;
- FinMark Trust is assisting CISNA with the development of minimum harmonisation standards for micro-insurance regulation; and
- CEOs are continually encouraged to promote financial inclusion and wider access to non-banking financial products in their respective jurisdictions.

e) To facilitate the development of well informed investors and consumers

- A dedicated Consumer Financial Education Technical Committee of CISNA has been established, and has made good progress in facilitating, amongst others, the development of national consumer education strategies within member jurisdictions.

f) To pro-actively identify and mitigate regional systemic risk

- A proposal on the establishment of the Financial Regulatory Council to take decisive and timely action in times of crisis is yet to be developed;
- IOSCO principles require securities regulators to monitor, mitigate and manage systemic risk; and
- The region has representation on the Financial Stability Board through South Africa. South Africa will give feedback at the CISNA Plenary on developments from the Financial Stability Board.
- In depth consideration of this matter was deferred for reconsideration in the next strategic plan.

g) To promote and facilitate the free flow of non-banking financial services.

- In the progress of facilitating the migration of COSSE's reporting line to CISNA;
- Barriers identified in the insurance and pension funds harmonisation studies are receiving attention.

h) To promote adherence to best practice corporate governance.

- Corporate governance is a generic principle of all global standard setting bodies and forms part of the broader harmonisation programme.

Other issues raised/decisions taken included the following:

- Development of a budget for CISNA related activities;
- Possible review of the MMoU to include reference to exchange of information in the event of a crisis; and
- Deferral of the establishment of permanent secretariat project to the 2016-2020 Strategic Plan.

Mr Tafadzwa Chinamo
CISNA Chairperson

CISNA Secretariat's Report

During the 2013 reporting period, Ms Annah Manganyi served as the CISNA Secretariat, being the contact point between CISNA and its members, as well as other key stakeholders such as SADC Secretariat, Committee of SADC Stock Exchanges, Committee of Central Bank Governors, Eastern and Southern African Anti-Money Laundering Working Group, etc. The office of the CISNA Secretariat is located within the Financial Services Board, South Africa and its contact detail is CISNA.Secretariat@fsb.co.za. During the year under review the Secretariat coordinated the hosting of two CISNA bi-annual meetings, in South Africa from 22 to 26 April 2013 and in Namibia from 30 September to 04 October 2013. The Financial Services Board again reassured CISNA of its commitment to provide the secretariat services to CISNA until the permanent Secretariat for CISNA becomes a reality.

CISNA Plenary

The Secretariat continued to support the CISNA Plenary, which is the highest decision making body of CISNA. The CISNA Plenary comprises CISNA member states, and is chaired by the Chairperson of CISNA with assistance from the CISNA Vice-Chair. For the 2013 review period, CISNA was chaired by Mr Israel Kamuzora from Tanzania.

During the two meetings, the Secretariat, in conjunction with the host countries, recorded the meeting proceedings and provided feedback on CISNA EXCO related activities. The Plenary meetings are hosted on a rotational basis and its decisions are reached through consensus, failing which by a simple majority. The powers and functions of the CISNA Plenary include the formulation of strategy and policy, endorsement, adoption, approval and ratification of recommendations by CISNA structures, acceptance of new members and observers, sanction of CISNA members, approval of CISNA Annual Report, etc.

For the period under review, CISNA Plenary had the following Sub-Committees and Technical Committees:

1. Plenary
 - 1.1 Anti-Money Laundering and Combating the Financing of Terrorism Technical Committee
 - 1.2 Consumer Financial Education Technical Committee
 - 1.3 Legal Technical Committee
 - 1.4 Strategic Planning and Performance Review Committee
 - 1.5 Training Technical Committee
2. Executive Committee
3. Chief Executive Officials of CISNA members
4. Insurance and Retirement Funds Sub-committee
 - 4.1 Technical Committee on Harmonisation (Insurance and Retirement Funds)
 - 4.2 Market Development Technical Committee (Insurance and Retirement Funds)
5. Capital Markets Sub-committee
 - 5.1 Market Development Technical Committee (Capital Markets-Harmonisation)
 - 5.2 Legal Technical Committee (Capital Markets)

The term of office of the Chairperson and Vice-chairperson of CISNA, Insurance and Retirement Funds Sub-committee, and Capital Markets Sub-committee ended in September 2013. The elections of the new EXCO, including endorsement of the elected Chairperson and Vice-chairperson of the SPPRC for the period October 2013 to September 2015, were held. The newly elected CISNA EXCO was appointed.

CISNA Executive Committee

The Secretariat also supported the CISNA Executive Committee which is a body responsible for the oversight of the implementation of the strategic plan of CISNA, execution of the decisions of CISNA Plenary, representation of CISNA at CSTO meetings and provides overall strategic oversight of the operation of CISNA structures. CISNA EXCO meets twice a year immediately prior to the CISNA Plenary meetings, and reports to the CISNA Plenary. It is chaired by the Chairperson of CISNA and comprised the:

- CISNA Chairperson
- CISNA Vice Chairperson
- CISNA Secretariat
- Chairpersons and Vice-Chairpersons of CISNA Sub-committees
- Chairperson and Vice-Chairperson of the SPPRC
- Director TIFI (SADC) – ex-officio

Funding

Members funded the general operations of CISNA during the period under review, including attendance of meetings. For funding of projects and consultants, CISNA relied on SADC Secretariat to source funding from international partners. On some occasions, external sources of funding were approached for assistance after consultation with SADC Secretariat. Where such funding was required, it was sourced through the initiation of the CISNA structures or EXCO. All funding offers from third parties are required to be in line with strategic objectives of CISNA and approved by CISNA EXCO. FinMark Trust continued to assist with financial resources for the harmonisation project of the regional micro-insurance industry.

Permanent Secretariat

CISNA members are all in agreement that CISNA requires resources to be able to fully implement its strategic goals. One such goal is to establish a permanent Secretariat. Due to the lack of funds this goal could not be met as yet. A concept paper on the establishment of the permanent Secretariat for CISNA was presented at the CISNA meetings held in Angola in April 2013 and in Namibia in October 2013.

At the Namibia meeting, the establishment of the permanent Secretariat was deferred again for reconsideration at the next Strategic Plan period 2016 to 2020, unless the review by the SADC Regional Indicative Strategic Development Plan (RISDP) directs otherwise.

Redirection of COSSE's reporting line from the CCBG to CISNA

Following the SADC Secretariat's advice that, a decision is yet to be taken by the SADC Ministers of Finance on this matter, SADC Secretariat reported that this issue will be addressed in the then review of the terms of reference of all the FIP structures, including that of COSSE.

Structural changes within CISNA

The CISNA Secretariat coordinated the following structural changes that were introduced at CISNA during the reporting period:

- Establishment of the Financial Intermediaries and Advisers Technical Committees under the Insurance and Retirement Funds Sub-committee;
- A broader Legal Technical Committee for CISNA was established. Establishment of CISNA Micro-finance and Financial Cooperatives Sub-committee; and
- The introduction of supervisors of Privately Administered Medical Schemes also referred to as Health Management Institutions, under the Insurance and Retirement Funds Sub-committee.

The SADC Secretariat sent communications during November 2013 to all the SADC Ministries responsible for micro-insurance, financial cooperatives and medical aid schemes informing them of the SADC Ministers of Finance decision to include the micro-finance, financial cooperatives and medical aid schemes authorities in the work programme of CISNA, and inviting the relevant authorities to future participation in the CISNA meetings/activities.

This was followed by a letter addressed to all the relevant authorities detailing the "new authorities" expected participation in CISNA activities, as well the required engagement with the CISNA Secretariat.

Ms Koko Kubelo
CISNA Secretariat

Strategic Planning and Performance Review Committee

Introduction

The Strategic Planning and Performance Review Committee (SPPRC) as a Plenary Committee tasked primarily with monitoring performance against set targets, and driving projects of significance for CISNA. The SPPRC is headed up by a Chairman, and is strongly supported by the CISNA Secretariat. The other members of the SPPRC include the Vice-Chairman and five other committee members drawn from authorities comprising different aspects of Non-bank Financial Institutions, and from different SADC member states. CISNA EXCO members attend SPPRC meetings in an ex-officio capacity.

The CISNA strategic plan has ten objectives as listed below and SPPRC monitors performance against these.

1. To harmonise and enhance the effectiveness of regional financial regulatory frameworks;
2. To ensure regional adoption and adherence to applicable global regulator principles, standards and best practices;
3. To build the internal capability to ensure that CISNA is able to execute successfully on its mandate;
4. To foster liaison, co-operation and exchange of information between regional and international bodies and agencies;
5. To facilitate the development of competent and professional non-banking financial institutions (NBFI) regulatory;
6. To facilitate wider access to non-bank financial products and services;
7. To facilitate the development of well informed investors and consumers;
8. To proactively identify and mitigate regional systemic risk;
9. To promote and facilitate the free flow of non-banking financial services; and
10. To promote adherence to best practice corporate governance.

Monitoring of Performance

CISNA adopted a similar monitoring and evaluation Framework (M & E Framework) to the one used by the SADC Secretariat. The M & E Framework is a tool for monitoring the implementation of CISNA Strategic goals for all CISNA structures. All CISNA structures and sub-structures are required to apply the M & E Framework going forward in respect of their activities and to report on the status of implementation at every bi-annual meeting of CISNA.

The M & E Framework for CISNA was adopted by CISNA EXCO and Plenary. The M & E Framework provides for clear assignment of responsibilities, status updates, and implementation timeframes for the various CISNA activities.

Structure, Rules, and Procedures

One of the fundamental activities of the SPPRC contained in the 2011 -2015 CISNA strategic goals included the development of a CISNA Constitution, detailing the institutional framework of CISNA, membership rules and procedures to be adopted in, for instance, appointing CISNA leadership. The Constitution, now known as the “CISNA Organisational Structure, Rules, and Procedures” is aligned to Annex 10 of the FIP.

The CISNA Structure, Rules, and Procedures Document (the Rules) was adopted by Plenary in October 2013 and is a working document that is aligned to Annexure 10 of the FIP. The Rules are particularly aimed at providing clear delineation of CISNA structures and sub-structures, and their respective duties and objectives. Furthermore, they are a good guide to the operations of CISNA.

2012 Annual Report

The SPPRC was also tasked with producing the 2012 annual report. A draft format of the CISNA annual report was developed, including templates for submission of required information and/or data by the respective authorities.

The SPPRC has subsequently prepared this annual report, with significant challenges with regard to submission of relevant information and/or data from some authorities in CISNA. As such, the glaring gaps in the report represented CISNA authorities and/or SADC member states that did not submit requested information. This challenge also resulted in delaying the production and release of this report.

Driving Projects for CISNA

The SPPRC undertook and drove on behalf of CISNA a number of initiatives and projects during the period under review:

- One such project was where the SPPRC developed a concept paper for the establishment of a permanent Secretariat for CISNA. This involved the submission of the draft concept paper to EXCO for discussion and comments and thereafter to the Plenary for review and adoption. The concept paper was also sent to the different authorities that make up CISNA for official responses, which set forth proposals for modalities of funding of the permanent Secretariat. In the final analysis, the decision of the Senior Executive Officials of CISNA authorities to delay the establishment of a permanent Secretariat was adopted. The Financial Services Board (FSB) of South Africa continues to host the CISNA Secretariat in the interim.
- The SPPRC also undertook the task of formulating a “CISNA Organisational Structure, Rules, and Procedures” document to cover the modus operandi of the relevant structures. SPPRC carried out research on existing Constitutions for similar organisations and from there prepared a draft structure, rules and procedures for CISNA. The draft document was presented to EXCO for comment and discussion, and the final draft was presented to CISNA Plenary for review and adoption.

- The SPPRC was also tasked with producing an annual report for the Non-bank Financial Institutions of the SADC region. A draft format of the CISNA annual report was developed, including templates for submission of required information and/or data by the respective authorities.

The SPPRC met four times during the course of 2013 to discuss the following matters:

- CISNA structures, rules and procedures;
- Storage of documents;
- CISNA organigram;
- Legal Technical Committee;
- NBF1 model laws;
- Micro-Finance and Financial Cooperatives sub-committee;
- CISNA annual report;
- Strategic plan review process;
- CISNA permanent secretariat;
- Election of SPPRC Chairperson and Vice-Chairperson;
- SPPRC membership; COSSE's representation and participation at CISNA meeting

The draft documents were submitted to EXCO for discussion and comments and to Plenary for review and adoption. The SPPRC has subsequently prepared this annual report, with significant challenges with regard to submission of relevant information and/or data from some authorities in CISNA.

Report on COSSE

The interim Chairperson of COSSE, Mr Symon Msefula, participated in the CISNA Plenary and the Capital Markets Sub-committee meetings. He reported, *inter alia*, on the following:

- The ongoing project of establishing a permanent secretariat for COSSE;
- Admission of Seychelles as a member of COSSE, having licensed a new stock exchange;
- Continued cooperation and collaboration with the African Securities Exchange Association;
- Funding from FinMark Trust and potential funding from the African Development Bank in respect of the project on the interconnectivity of settlement and depositories; and
- Leadership change, i.e. his interim Chairmanship of COSSE following Ms Beatrice Banda's resignation as COSSE's Chairperson. The election of the new Chairperson was to take place at the next meeting of COSSE held in Mauritius. The COSSE Chairperson has since been confirmed as Mr Symon Msefula.

COSSE Strategic Plan

There are three work streams:

- Interconnectivity: the vision is to increase trade on all SADC markets.
- Training and visibility: the JSE Ltd in association with ASEA hosted a very successful second seminar on Building Africa's market on the 12 and 13 September 2013.
- Secretariat: the JSE Ltd continues to the COSSE Secretariat

COSSE MoU with the SADC Banking Association

This agreement has been signed in order to establish a platform for cross-border settlements for regional capital markets.

Other Stock Exchange News

COSSE's capital markets are developing slowly with Dar-es-Salaam issuing 15 year government treasury bonds for the first time. Trading in many markets has improved with Mauritius in particular breaking market capitalisation records. Mauritius also substantially reduced their brokerage rates.

Central Scrip Depositories are being embraced by most countries with Mozambique having promulgated regulations to allow for a CSD. In Namibia, which continues to successfully operate on the JSE Ltd.'s trading system and STRATE's clearing system, investment by the population into local companies is being encouraged through pension's legislation.

In general, the liquidity in the SADC stock markets continues to be a challenge as well as alignment with international standards set by IOSCO. South Africa leads the way in its scope of financial regulation covering almost all aspects of activity in financial markets from prudential regulation to consumer protection. The JSE for the third consecutive year was declared the number one out of countries included in the WEF's Global Competitiveness Report with regard to

exchange regulation. The JSE Ltd is in the process of preparing to move to its settlement in the equities market from T+5 to T+1. As this is done, the recognition of post trade services has assumed great importance. The JSE Ltd.'s Chairperson of many years standing Mr Humphrey Borkum will retire in April 2014. His successor will be Nku Nyembezi Heita. In an effort to improve the investor base, exchanges are involved in financial literacy programmes.

Sub-Committees Reports

Capital Market Sub-Committee

Introduction

The Capital Markets Development Sub-committee maintained its thrust towards enhancing communication and exchange of information amongst securities market regulatory authorities in the region, promote sound corporate governance and alignment with Best Practice (in particular IOSCO principles) by market players. In this regard, the Committee undertook to facilitate the harmonisation of regional capital markets practices and activities. Such efforts should enhance ongoing interconnectivity efforts for improved cross border investments. Capital markets development can also not take place without the promotion of new investment products for product diversity. In this regard, the Capital Markets Sub-committee (CMS) aims at expanding its research activities towards enhanced regional institutional, supervisory and regulatory frameworks as well as new product development.

The 2013 bi-annual committee meetings were hosted by FSB (South Africa) and NAMFISA (Namibia) during the months of April and October respectively.

While the CMS encourages independent securities market regulation, the Committee still has three members (Malawi, Mozambique and Lesotho) with their capital markets development functions still under the ambit of their respective central banks. Meanwhile, Swaziland's capital market was transferred to the Financial Services Regulatory Authority with effect from January 2013.

Industry Structure and Performance

General Market Structure

Member capital markets remain generally dominated by equities trading though a sizeable number of jurisdictions have managed to establish secondary bonds markets while more members are planning on coming up with alternative markets. Market players still comprise exchanges, securities dealers, transfer secretaries, custodians, financial advisors, unit trust / collective investment schemes, asset managers and CSD's.

Market Infrastructure

Zimbabwe, Malawi and Swaziland are still using manual call over trading systems. In pursuit of the Botswana Stock Exchange footsteps which automated its trading platform last year, Zimbabwe's automation project is progressing well according to plan. The rest of the other members have their platforms automate. Manual based trading systems are prone to a wide array of market abuse.

Key Supervision and Surveillance Deficiencies in some jurisdictions emanate from existing legislation not providing for adequate corporate governance restrictions regarding constitution of

boards of directors. The same regulatory frameworks are too outdated thereby presenting arbitrage opportunities and non-permissible activities beyond the authorities' ambit. Shared management services and non-segregation of duties has also been a challenge as market players try to survive the harsh operating environment. The CMS encourage all members to review their listings rules in line with the changing operating and regulatory environment.

Rebranding

The Zimbabwe and Angolan securities market regulators rebranded during 2013 to the Securities and Exchange Commission of Zimbabwe and Comissão do Mercado de Capitais (CMC) of Angola respectively. Rebranding is meant to improve visibility as an Apex stamp of authority in capital markets regulation.

Compliance Activities

During 2013, Member Authorities conducted various compliance activities as summarised in the table below:

Summary of Compliance Activities During the Year 2013

Activity	BOT	MLW	MRT	NAM	SEY	SWZ	TZ	ZAM	ZIM
Inspections	3	6	50	8		1	12	19	10
Investigations			53			1	1	2	2
Corrective Orders								2	2
Notices of Cancellations				8					2
Cancellations				13					4
Directives			7	1	0				1
Suspensions			9		0				1

Note: Member countries that do not appear have not provided information for this section.

Investigations by Mauritius relate to licensees (13), officers of licensees (4) and unregulated entities (36) while inspections include 21 under Capital Markets (exchanges, intermediaries) and 29 under Investment Funds and Intermediaries

The reasons for the activities were circumstantial to the operational environment with the jurisdiction of the respective Authorities. These reasons included Routine exercises, Risk profiling results routine exercises, Complaints, Non-compliance, Failure to meet minimum licensing Requirements, Misconduct, Non Permissible Activities and Prior regulatory approval on transfer of client assets held in nominee accounts of companies ceasing operations.

Member Market Development Initiatives

Ongoing efforts to broaden markets are continuing with Zimbabwe, Malawi and Angola focusing on establishing and growing the bond and commodities markets. While Tanzania launched a new Enterprise Growth Market in November that is meant to facilitate long term financing of SMEs, the Zambian authority also had two bonds registrations during the year for USD500 million each. Trop-X, the Seychelles' securities exchange as well as the Depository, AfriDep, and Clearing House, AfriClear, both started operating during 2013. The Reserve Bank of Malawi with support from World Bank Financial Sector Technical Assistance Project (FSTAP) developed a long term strategy and implementation plan for the development of capital market aimed at further developing and deepening the Malawi securities market.

Study Tours / Familiarisation / Exchange Programmes amongst Member Authorities

Like in every other year, a successful securities familiarisation programme was hosted by the FSB from the 19–23 August continues to host member states for the annual familiarisation programmes meant to assist member states in learning from the experiences of other member states. The FSC Mauritius also hosted delegates from Uganda, Angola, Malawi, Tanzania, Banque Centrale des Etats de L'Afrique de L'Ouest, Conseil Regional de L'Epargne Publique et des Marchés Financiers of the Ivory Coast, Botswana and Maldives on attachment in its quest to reinforce cooperation with peer regulators.

The FSC Mauritius together with the IOSCO hosted the Africa Middle East Regional Committee Corporate Bond Markets Outreach Programme from 07-08 October 2013 aimed at regrouping capital markets regulators in the region for exchanging information on issues of interest regarding bond markets. The FSC Mauritius also hosted the IOSCO Technical Committee 1 on Issuer, Accounting, Audit and Disclosure from the 21–24 October 2013. The Committee focuses on improving the development of accounting and auditing standards, while improving the quality and transparency of the financial information that investors receive from listed companies and financial institutions.

IOSCO Membership

In a bid to align with international standards, the CMS encourages the rest of the other committee members to emulate the FSB-South Africa, CMSA-Tanzania, SEC-Zambia, and the FSC-Mauritius who are leading by example as members of IOSCO. Joining the group is RBM-Malawi that has been listed under IOSCO Multilateral MMoU Appendix A since September 2013.

The Non-Bank Financial Institutions Regulatory Authority of Botswana, the Securities and Exchange Commission, Zimbabwe and Seychelles International Business Authority have since submitted their applications. Namibia Financial Institutions Supervisory Authority, the Comissão do Mercado de Capitais of Angola, the Banco de Moçambique and the Financial Services Regulatory Authority of Swaziland are yet to submit their applications.

Market Performance Highlights (2013)

Exchanges	Value Traded USD mn	Volume Traded (mn)	Market Cap USD bn	Liquidity %	No of Listed companies	GDP at Current Prices USD bn	Market Cap % of GDP
Botswana Stock Exchange	2,315.43	710.45	42	5.9	35	12	37.1
Dar-es-Salaam Stock Exchange	159	243.65	10.46	1.5	18	33.23	13.81
Johannesburg Stock Exchange	22,686.6	3 085	1011.66	30.9	389	366.06	276.36
Lusaka Stock Exchange	38.0	276.0	10.5	0.9	22	26.0	40.2
Malawi Stock Exchange	34.6	4,409.2	16.6	0.19	14	4.3	28.6
Mozambique Stock Exchange	68.013	20.72	1197.01	5.68	16	15.71	5.5
Namibian Stock Exchange	524.4	10.9	134.5	0.01	34	13.1	1026.7
Stock Exchange of Mauritius	468.72	2110.90	8.8	21.30	91	12.00	73
Swaziland	0.2	0.3	0.2	1.0	6	3.8	
Trop-X, Seychelles Securities Exchange	0.0194	0.0205	0.011	0.18	1	0.649	1.69
Zimbabwe Stock Exchange	485.7	2,996.9	5.2	9.34	68	13.49	38.5

Legislative and Regulatory Development

In trying to ensure that the rules and regulations governing capital markets are in line with regulatory dynamics, the following SADC jurisdictions; Namibia, Botswana, Zambia Tanzania and Swaziland, have their amended frameworks at various stages of approval by the relevant authorities. Meanwhile, Zimbabwe's Securities Amendment Bill was passed into law on 30 August 2013 while its CSD rules were also approved during the year. Tanzania also approved new stock exchange rules during the year.

The FSB promulgated a new Financial Market Act in June 2013 while listing requirements for real estate invested trust were published in May 2013. Zambia's Statutory Instrument No. 82 of 2013 namely The Securities (Licensing, Fees and Levies) (Amendment) Rules, 2013 was published in September 2013. More members (NBFIRA, SEC Zimbabwe and the Central Bank of Malawi) are

increasingly moving towards risk based supervisory models. Continuous update of market regulatory frameworks is critical for alignment with changing operation and regulatory environments as well as international standards.

Summary Member Funding

Country	Main Source of Funding	Other	Challenges emanating from the existing funding structure
Botswana	Supervisory Fees and Levies	Government Subvention	Minimal Capacity Building
Lesotho	Licence Fees	Central Bank of Lesotho	Absence of principal law to kick start capital market activities
Mauritius	Licence Fees, Brokerage Fees and Penalties As per Section 82 of the Financial Services Act 2007, the Commission shall establish a General Fund into which all money received by the Commission shall be paid; and out of which all payments required to be made by the Commission and all charges on the Commission shall be effected.	None	Annual contribution to Government - As per Section 82 (7)a stipulates that 'Any balance in the General Fund, after the transfer under subsections (5) and (6), shall be transferred to the Consolidated Fund'
Malawi	Central Bank		Minimal Staffing Levels but are expected to be addressed
Seychelles	Licence Fees, levies and penalties		Capacity building constraints
Tanzania	Government Subvention		Little budgetary support, most market activities remain unfunded, limited capacity building
Zambia	Government Grants	Own income Sources	Inadequate Funding from Government
Zimbabwe	Market Levies	None	Limited Capacity Building

Local Regional and International Cooperation

In pursuit of information sharing through regulatory cooperation, below is an updated summary of regulatory cooperation and/or the MoUs that member authorities had signed locally, regionally and internationally as at 31 December 2013.

Country	Local	Regional	International
Angola	<ul style="list-style-type: none"> • UIF¹ 	<ul style="list-style-type: none"> • NAMFISA – Namíbia • Auditoria Geral do Mercado de Valores Mobiliários (AGMVM), Cabo Verde • ESAAMLG • CISNA • COSSE 	
Botswana	<ul style="list-style-type: none"> • Bank of Botswana • Competition Authority • Botswana Revenue Services • Botswana Accountancy Oversight Authority 	<ul style="list-style-type: none"> • Financial Securities Commission (FSC)Mauritius • Namibia Financial Institutions Supervisory Authority (NAMFISA) • Comissao Do Mercado De Capitais Angola • Financial Services Regulatory Authority of Swaziland • ESAAMLG • CISNA • COSSE 	<ul style="list-style-type: none"> • Securities Exchanges Board of India (SEBI)
Malawi	<ul style="list-style-type: none"> • Economics Association for Malawi (ECAMA) • Institute of Accountants in Malawi (ICAM) 	<ul style="list-style-type: none"> • Financial Securities Commission (FSC)Mauritius • FSB South Africa • ESAAMLG • CISNA • COSSE 	<ul style="list-style-type: none"> • IOSCO-ordinary member IOSCO-Appendix A signatory • IOSCO-AMERC • GEMC
Mauritius	<ul style="list-style-type: none"> • Bank of Mauritius • Financial Intelligence • Mauritius Revenue Authority • Competition Commission Mauritius • Financial Reporting Council • Statistics Mauritius 	<ul style="list-style-type: none"> • IOSCO Africa Middle East Regional Committee MMoU • South Asian Securities Regulators Forum • Southern African Development Community Committee of Insurance, Securities and Non-banking Financial Authorities 	<ul style="list-style-type: none"> • International Association of Insurance Supervisors (IAIS) MMoU • International Organization of Securities Commissions (IOSCO) MMoU • 23 MoUs relating to the supervision of

¹UIF – Financial InformationUnit

Country	Local	Regional	International
		(SADC CISNA) MMoU <ul style="list-style-type: none"> • 12 with African counterparts: <ol style="list-style-type: none"> i. Capital Market Development Authority, Maldives ii. SEC Nigeria iii. NFBIRA Botswana iv. CMA Kenya v. Central Bank of Lesotho vi. Reserve Bank of Malawi vii. SEC Zambia viii. Insurance Supervisory department, Tanzania ix. NAMFISA x. CMA Uganda xi. PIA Zambia xii. FSB South Africa • ESAAMLG • CISNA • FSB RCG for SSA • COSSE • IOSCO AMERC 	AIFMD entities) with European Union (EU)/ European Economic Area (EEA) Member States Securities Regulators Authority <ul style="list-style-type: none"> • 7 international counterparts <ol style="list-style-type: none"> i. Cyprus Securities and Exchange Commission ii. Financial Services Commission, Guernsey iii. Financial Services Authority, Labuan iv. Financial Services Commission, Jersey v. Financial Services Authority, Malta vi. SEBI vii. Isle of Man Financial Services Authority • IOSCO GEMC
Namibia	<ul style="list-style-type: none"> • FSB-SA, • Comissao Do Mercado De Capitais (Angola), • NBFIRA, Botswana 	<ul style="list-style-type: none"> • ESAAMLG • CISNA • COSSE 	
Seychelles	<ul style="list-style-type: none"> • SIBA – Central Bank of Seychelles 	<ul style="list-style-type: none"> • ESAAMLG • CISNA • COSSE 	
Swaziland	<ul style="list-style-type: none"> • FSRA- Financial Services Regulatory Authority 	<ul style="list-style-type: none"> • FSB-SA • COSSE • ESAAMLG • CISNA 	
Tanzania		<ul style="list-style-type: none"> • East Africa Community, • IOSCO AMERC • ESAAMLG • CISNA • COSSE 	<ul style="list-style-type: none"> • GEMC

Country	Local	Regional	International
Zambia		<ul style="list-style-type: none"> • ESAAMLG • CISNA • IOSCO-AMERC • COSSE 	<ul style="list-style-type: none"> • GEMC
Zimbabwe	<ul style="list-style-type: none"> • Reserve Bank of Zimbabwe • Insurance and Pensions Commission • Public Accountants and Auditors Board 	<ul style="list-style-type: none"> • ESAAMLG • CISNA • COSSE 	

Note:

IOSCO: International Organisation of Securities Commissions

AMERC: Africa Middle East Regional Committee

GEMC: -Growth and Emerging Market Committee

Projects and Activities of the Sub-committee during 2013

The CMS maintained its thrust on building up research work upon which minimum rules and practices can be based for member states to operate effectively, efficiently while drawing closer to Best Practice. Such efforts are still ongoing. To that effect a list of CMS's projects / activities are at various stages of implementation ranging from corporate governance, code of conduct, risk management, broker dealers, CIS, licensing and prospectus requirements. A preliminary exercise is also ongoing to ascertain the gap between member states listings requirements and Best Practice so that subsequent work can then be carried out towards closing whatever gaps identified.

Harmonisation

Given the extent of the work involved and the need for harmonised minimum practices for the region, the CMS undertook to engage SADC/ GIZ to discuss a proposed project plan and funding model with respect to a harmonisation exercise earmarked across all member states through a specialist consultant on behalf of the CMS. The execution of the project is however subject to availability of funds. In this regard, Terms of Reference for such consultancy has since been submitted to the secretariat for consideration. CMDCS members have also been requested to provide names of potential consultants (individuals or firms) that could be suitable to carry out such task.

Funding

Funding remains a major challenge for executing a lot of the committee's projects. This year, the World Bank and the African Development Bank have offered financial assistance to the Committee hence the need for the committee to identify and package possible areas of assistance.

Conclusion

Capital market challenges have remained generally unchanged cutting across a number of member jurisdictions. Limited technological infrastructure still needs to be addressed by the remaining member states for improved efficiency and transparency. Some jurisdictions are still grappling with persistent market liquidity challenges, undercapitalisation and weak corporate governance by market players. Going forward, member states need to ensure that they have binding codes of governance for their respective licensees.

Alternative investment products remain critical for SADC capital markets in building the critical mass for long term funding relevant for infrastructure projects. The CMS will try and build up the necessary research work for members to support the development of such new products. The CMS will continue to encourage members to work on long term financial strategies particularly given the growing infrastructural rehabilitation needs of most economies.

Finally, while a number of capital markets still have limited supporting subsidiary legislation to accommodate the developing and changing operating environment, they are also faced with lack of requisite public financial literacy on capital markets issues hence their inability to make informed decisions and investor protection. These challenges need Government support for effective regulation of securities market authorities if capital markets are to fulfil their capability in effectively contributing towards the development of their respecting economies and the region at large.

Insurance and Retirement Funds Sub-Committee

Harmonisation Projects: Insurance, Micro-Insurance and Retirement Funds

Insurance Harmonisation

Following the adoption of the study report on harmonisation of insurance industries in the SADC region from relevant consultant (Mr A. Swanepoel) in October 2012, the Insurance and Retirement Funds Sub-Committee (IRFSC) considered a desired way forward as provided in the CISNA Strategic Plan 2011-2015. The following projects are envisaged in future in this regard:

Developing model legislation and regulations for supervision to assist with harmonisation of the insurance industries in the region – planned for October 2014 -

- *This will require active involvement of the Legal Technical Committee (LTC);*
- *The Sub-Committee through its Technical Committee on Harmonisation (TCH) will provide the necessary support to LTC as may be guided by LTC from time to time;*
- *There is need to have separate model legislations for the relevant sub-sectors – insurance and retirement funds.*

Plenary approved a request from IRFSC to engage LTC in development of model legislation for the regional insurance industry.

Pensions Harmonisation

Following adoption of the study report on harmonisation of retirement funds industries in the SADC region from relevant consultant (Mr T. Maswera) in April 2013, the Insurance & Retirement Funds Sub-Committee considered a desired way forward as provided in the CISNA Strategic Plan 2011-2015. The following projects are envisaged in future in this regard:

Developing model legislation and regulations for supervision to assist with harmonisation of the retirement funds industries in the region – planned for October 2014;

- *This will require active involvement of the LTC – Plenary approved a request from IRFSC to engage LTC in development of model legislation for the regional retirement funds industry;*
- *The Sub-Committee through its TCH will provide the necessary support to LTC as may be guided by LTC from time to time.*

Plenary approved a request from IRFSC to engage LTC in development of model legislation for the regional retirement funds industry.

Micro-Insurance Harmonisation

Following the adoption of the Micro-Insurance harmonisation report by the Plenary in April 2013 CISNA, with the assistance of FinMark Trust, considered the implementation of the recommendations of the report and to consider other related projects necessary for the implementation of the recommendations. Key recommendations of the study included:

- Establishment of a SADC Micro-Insurance (MI) Forum to promote harmonisation of MI regulation and build necessary capacity; and
- To establish a SADC wide project to develop capacity for effective data collection and analysis in SADC for the development of retail insurance markets.

The IRFSC adopted the Terms of Reference (ToR) for the MI Forum as presented jointly by its Technical Committee on Harmonisation and Technical Committee on Market Development. The relevant TOR is available on request from the CISNA Secretariat.

In respect of the data project, it was reported that a consultant will be appointed by Finmark Trust to guide the CISNA member states in collecting micro-insurance related data. The TOR for the appointment of the consultant was prepared by the MI Forum during its meeting held on 5-6 August 2013 under the auspices of Finmark Trust. The IRFSC adopted the relevant set of TOR which is available on request from the CISNA Secretariat.

Plenary considered and approved IRFSC's request to extend support to Micro-Insurance development initiatives implemented by Finmark Trust/Cenfri in support of regional integration agenda (including a Micro-Insurance Forum).

Developing an accreditation framework for insurance industries to enhance cross border operations – planned for October 2015

An important strategy toward achievement of harmonisation goals for the insurance industry in the region is development of an accreditation framework to enhance cross border operations of insurance registrants in the region. CISNA Strategic Plan 2011 – 2015 provides for implementation of this strategy by way of a consultancy which is to study and recommend a suitable accreditation framework for the region.

The sub-committee requested the Plenary to consider and approve request for resources (through SADC Secretariat) to initiate process for development of an accreditation framework for insurance and retirement funds industries to enhance cross border operations. Subject to this approval, the Plenary was also requested to consider and approve development of ToR for a consultant to develop an accreditation framework for insurance and retirement funds industries.

Plenary considered and approved IRFSC's requests as stated above. The sub-committee was tasked with preparation of draft ToR for the consultant and to submit same for approval during the next CISNA bi-annual meeting. Thereafter, a formal request will be submitted by CISNA to SADC Secretariat together with recommended ToR for the assignment.

SADC Insurance Market Performance Report

Introduction

The Insurance, Retirement Funds, and Medical Schemes (IRFMS) Sub-Committee of CISNA does, as one of its regular activities, review the performances of the insurance and retirement funds industries in the region. In an effort to measure the performance of the insurance market in the region, CISNA, through its Sub-committee for Insurance, Retirement Funds and Medical Schemes has been collecting statistics on various insurance market performance indicators from each SADC member country on an annual basis. Analysis of the statistics submitted by member countries followed by compilation of an appropriate narrative report is aimed at enabling readers to appreciate the developments of insurance markets within the region.

The main objective of this report is to present an overview of the performance of the SADC regional insurance market as a whole as well as on a country-by-country basis for the year ended 31st December 2013. Finally, the report outlines some recommendations on areas of priority within the region. Whereas SADC consists of a total of fifteen (15) member countries, only twelve (12) of these have been included in this analysis.

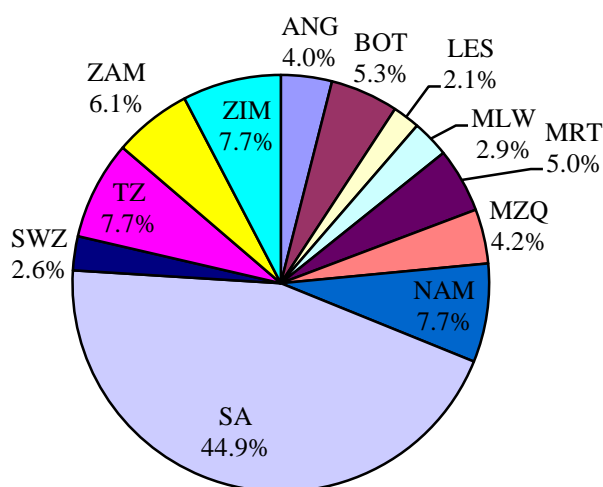
These are namely (in alphabetical order), Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia, and Zimbabwe. The three (3) countries excluded in the survey namely, the Democratic Republic of the Congo, Madagascar, and Seychelles, are not active members of CISNA, and have not filed information in respect of their insurance markets' performances.

Industry Structure and Performance

Market Structure Insurers

As at end of 2013, about 379 insurance companies were licensed to transact insurance business in the SADC region (2012: 409). The biggest share of insurers was held by South Africa (44.9%), remotely followed by Zimbabwe (7.7%), Tanzania (7.7%) and Namibia (7.7%) (see Chart 2.1.1.1).

**Chart 2.1.1.1: % Distribution of Licensed Insurance Companies in SADC Countries, 2013
(Total: 379)**



Reinsurers

A total of 32 reinsurance companies were licensed to transact reinsurance business by regulatory authorities within the SADC region (2012: 42) (see Chart 2.1.1.2 below). Of these, 13 were based in South Africa while 9 were in Zimbabwe. Zambia, Botswana had 3 while Namibia and Zambia had each licensed 2 reinsurers. Tanzania, Mozambique, and Malawi, had licensed 1 reinsurer each. The rest of the countries were yet to license a reinsurance company. Table 2.1 provides more information on licensing status of reinsurers in the region.

Table 2.1 Number of Licensed Reinsurance Companies

Country	2009	2010	2011	2012	2013
Angola	1	1	1	1	0
Botswana	1	2	2	2	3
Lesotho	0	0	0	0	0
Malawi	1	1	1	1	1
Mauritius	4	5	8	9	9
Mozambique	1	1	1	1	1
Namibia	1	1	2	2	2
South Africa	12	12	13	12	13
Swaziland	0	0	0	0	0
Tanzania	1	1	1	1	1
Zambia	2	2	2	2	2
Zimbabwe	12	10	10	10	9
Total	36	36	41	41	41

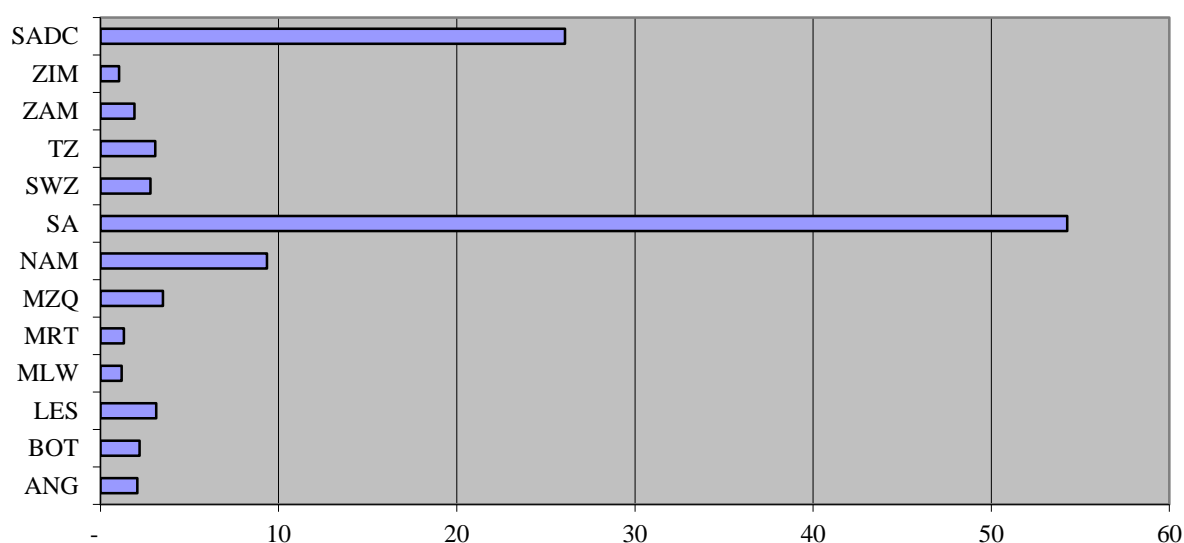
Source: CISNA member data schedules (Insurance) submitted to CISNA Secretariat

Brokers

With respect to insurance brokers, about 9,882 insurance brokers were operating in the region as at 31 December 2012 (2012: 13,082). South Africa had the largest number (9,226), while the rest were shared among the other SADC members.

Chart 2.1.1.3 below presents a brokers-to-insurers ratio distribution among the SADC member countries during 2013. The largest brokers-to-insurers ratio is observed with South Africa whereby an average of 54 brokers serves 1 insurer (2011:70). South African ratio appears exceptional in the SADC region as the ratios for the rest of the countries do not exceed 9:1.

Chart 2.1.1.3: Ratio of Brokers to Insurers in SADC Countries, 2012



Agents

On the insurance agency force, it was observed that 124,453 insurance agents were operating in the region as at 31 December 2013 (2012: 94,612). South Africa had the largest number (119,797), while the rest were shared among the other SADC members. The largest agents-to-insurers ratio is observed with South Africa whereby an average of 705 agents serve 1 insurer, remotely followed by Namibia (88:1). The ratio for other SADC members did not exceed 25:1.

Market Size

The SADC insurance market size in terms of Gross Premiums Written (GPW) is estimated to have reached approximately USD 53,982 million in 2013, being 1.0% lower compared to USD 54,532 million recorded in the prior year. The 2013 GPW is only 0.7% higher compared to USD 53,629 million written five years back in 2009.

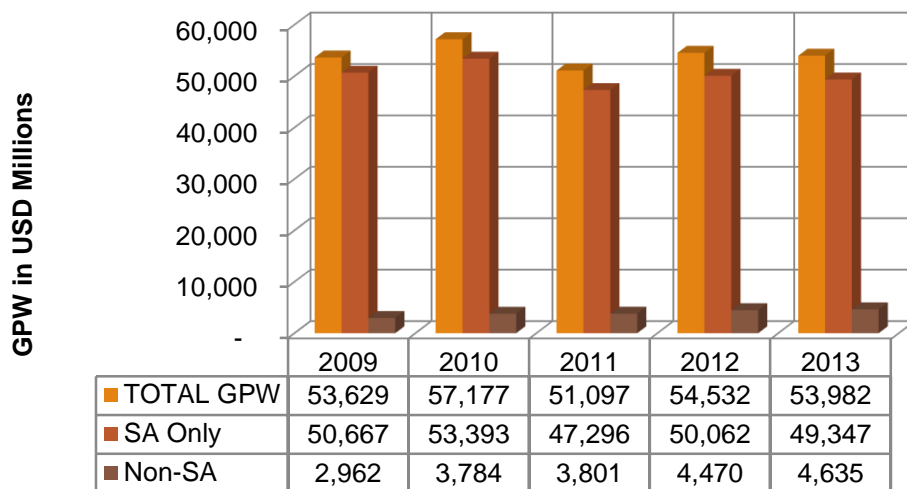
South Africa held the largest share of the SADC insurance market with GPW of USD 49,347 million in 2013 (2012: 50,062 million), representing 91.4% of the entire market business (2012: 91.8%). It is noted that the South African market GPW experienced a contraction of 1.2% over

the prior year. This trend was also reflected in the SADC regional market premium volume as indicated above.

Non-Life Insurance Market Size

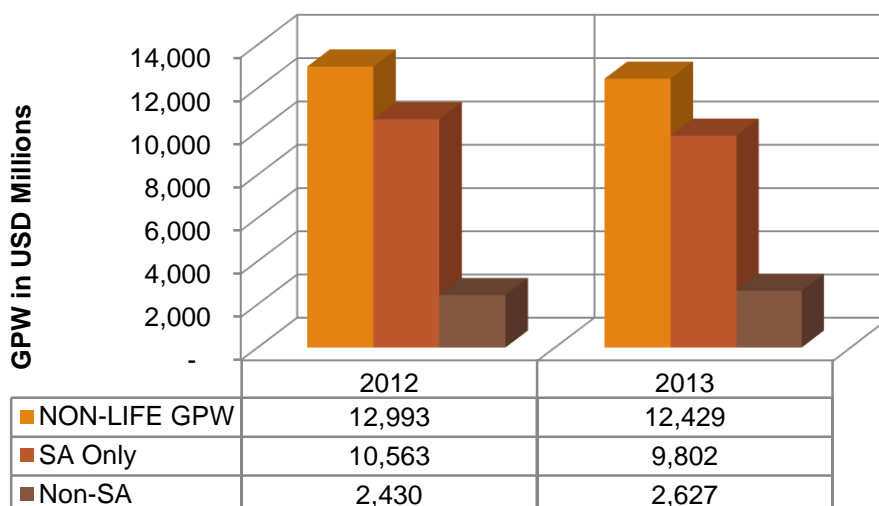
Non-Life insurance GPW in the SADC region reached approximately USD 12,429 million in 2013, representing 23.8% of the total GPW (Life and Non-Life). This was a decline of 4.3% compared to USD 12,993 million recorded in the prior year. Chart 2.1.2 below shows the market growth trends for SADC insurance market during the last 5 years.

Chart 2.1.2: Trends of Gross Premiums Written in SADC Countries, 2009-2013 (in USD Millions)



South Africa held the largest share of the SADC Non-Life insurance market with GPW of USD 9,802 million in 2013 (2012: 10,563 million), representing 78.9% of the entire market business (2012: 81.3%).

Chart 2.1.2.1: Volumes of Non-Life Gross Premiums Written in SADC Countries, 2011-2012 (in USD Millions)



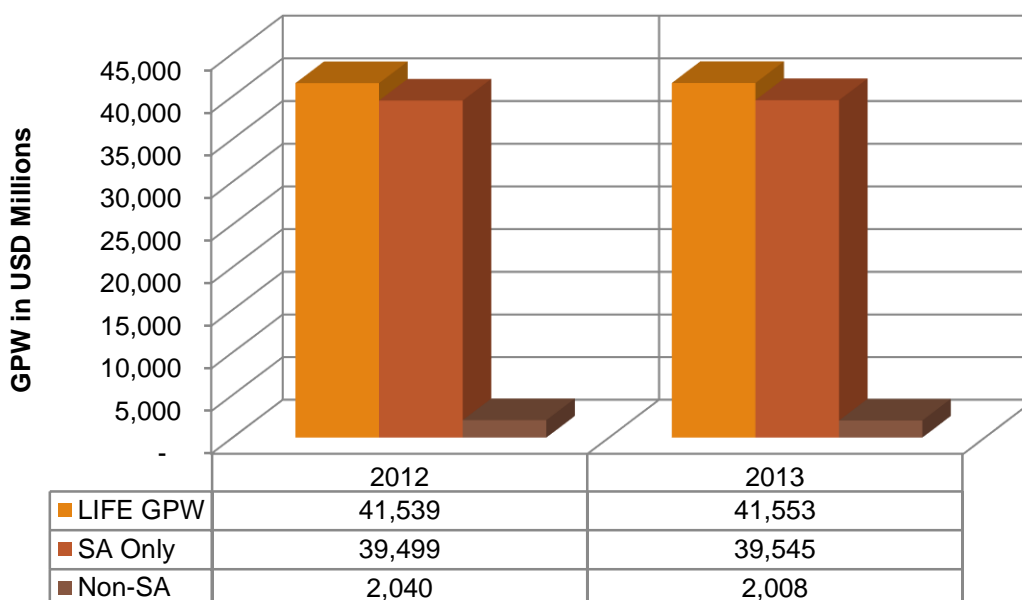
Life Insurance Market Size

Life insurance GPW in the SADC region totalled USD 41,553 million in 2013, representing 77% of the total GPW (Life and Non-Life). This was a negligible growth of 0.03% compared to USD 41,539 million recorded in the prior year.

Again, South Africa held the largest share of the SADC Life insurance market with GPW of USD 39,545 million in 2013 (2012: 39,499 million), representing 95.2% of the entire market business (2012: 95.1%).

Chart 2.1.2.2 below shows the market growth trends for SADC insurance market during the last 2 years, while the appended

Chart 2.1.2.2: Volumes of Life Gross Premiums Written in SADC Countries, 2011-2012 (in USD Millions)



Market Impact

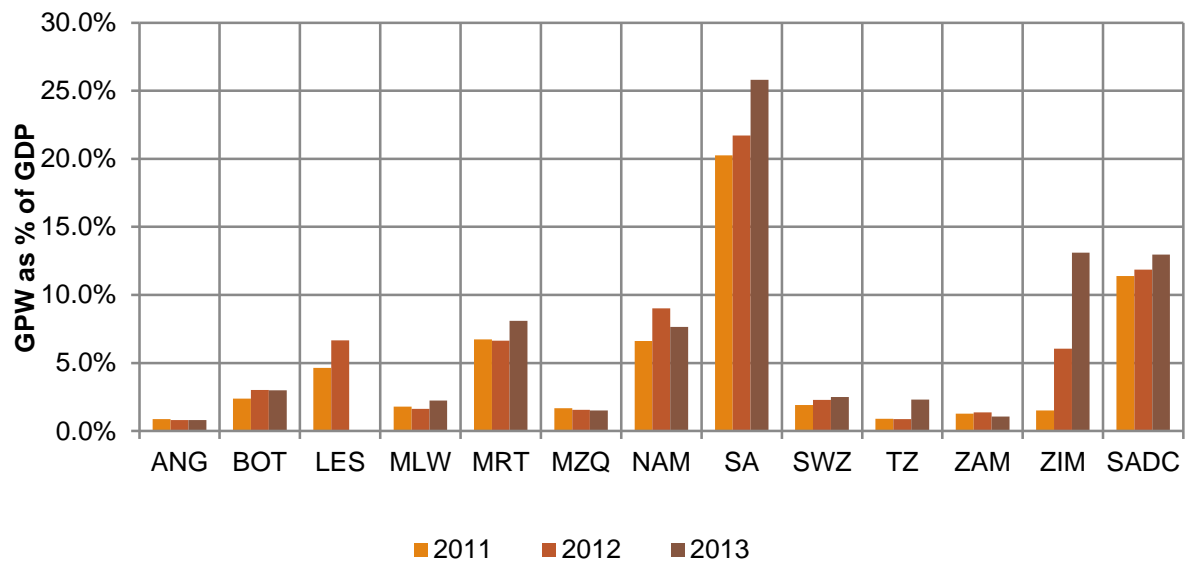
Insurance market impact to the economy can be assessed in terms of insurance market contribution to a country's GDP (insurance penetration ratio). Insurance penetration ratio is the percentage ratio of GPW to national GDP.

As far as insurance contribution to GDP is concerned, the SADC regional average was 13.0% in 2013 (2012:11.9%), being mainly skewed by South Africa's high penetration ratio of 25.8% (2012:21.7%). This compares to a regional penetration ratio of 13.4% recorded five years ago in 2009. Generally, regional-wise and on a country-by-country basis, the insurance market penetration ratios have experienced little growth during the last 5 years.

This is mainly attributable to parallel growths recorded in overall economies, thus reducing the impact of insurance market growth in the region as well as within countries.

Chart 2.1.3 below presents a three-year trend in the developments of insurance penetration ratios for the years 2010- 2012 for some SADC countries. The appended Table 8 shows a 5 year trend of insurance contribution to the economy.

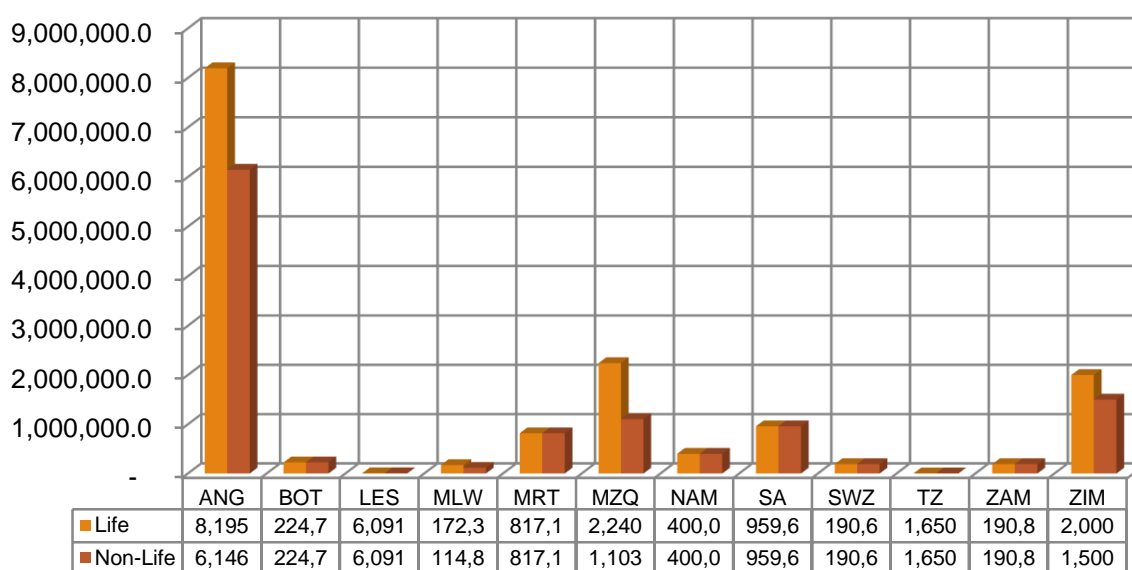
Chart 2.1.3: Developments of Contribution of Insurance to National GDP in SADC Countries, 2011-2013



Insurance Market Capital Requirements:

Chart 2.2 below presents a scenario of country-by-country minimum capital requirements for life and non-life businesses operating within the SADC region for 2013.

Chart 2.2: Country-by-Country Minimum Capital Requirements for Life and Non-Life Insurance Businesses within SADC region, 2013 (in USD '000)



On the life assurance side, Angola had the highest capital requirements for life companies valued at USD 8,000,000 followed by Namibia (USD 4,000,000) and Mozambique (USD 2,359,000), in that order. Lesotho appeared to have extremely low life assurance capital requirements at US\$ 8,100.

As in the case of non-life business, again Angola had the highest capital requirements for life companies valued at USD 6,000,000 followed by South Africa (USD 1,180,000) and Mozambique (USD 1,162,000), in that order. Again, Lesotho had extremely low non-life insurance capital requirements at USD 8,100.

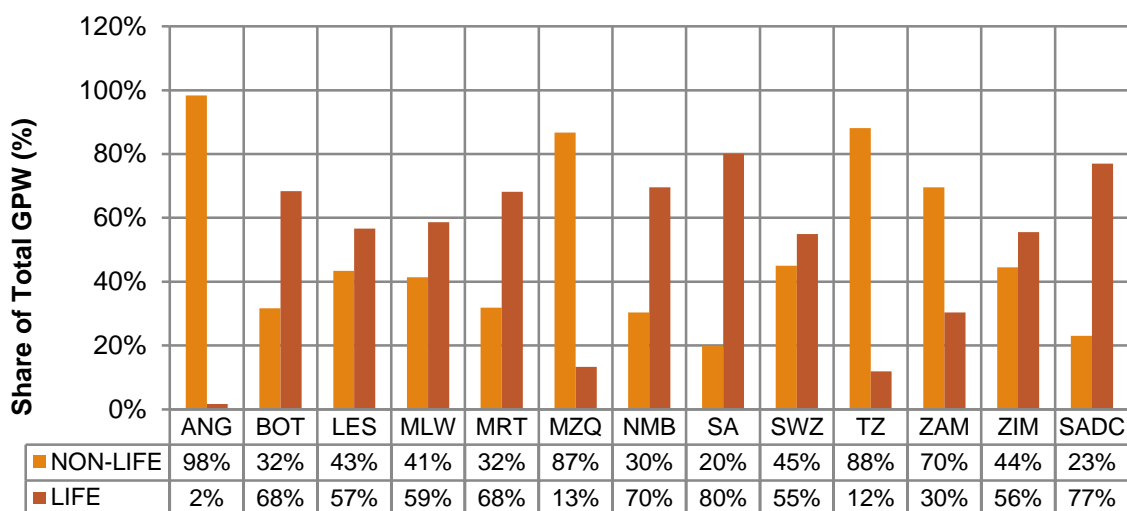
Factors which determine desired levels of capitalisation among the various SADC countries are beyond the scope of this report.

SADC Insurance Market Underwriting Performance:

Life and Non-Life Insurance Business Portfolio Distribution

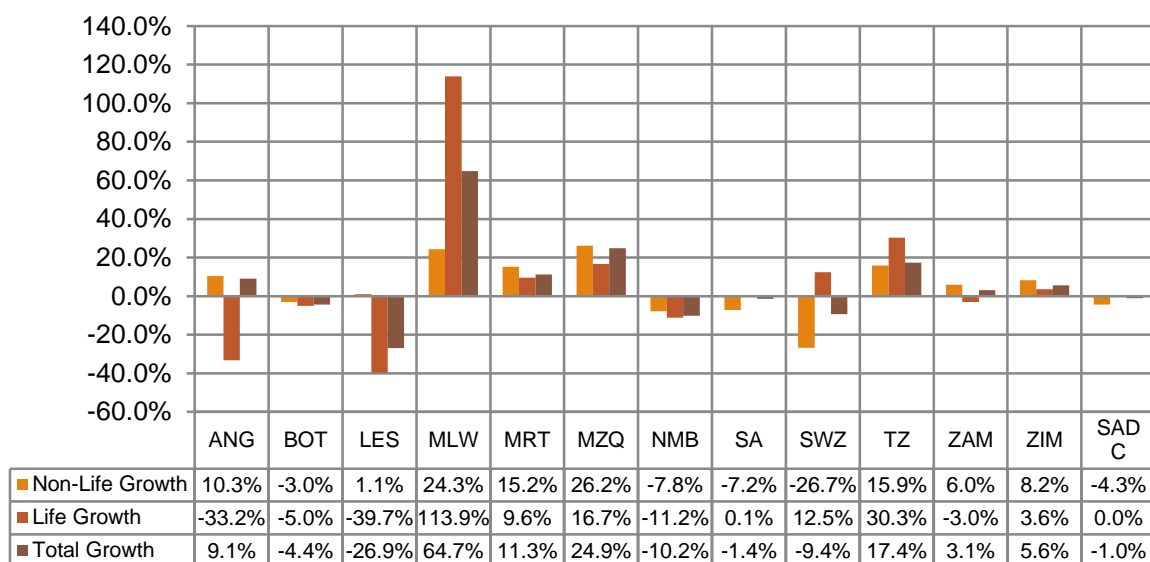
Regionally, Life insurers contributed a greater share of the overall business at 77%, while Non-Life business accounted for the remaining 23% (see Chart 2.3.1.1). On a country-by-country scenario, eight (8) countries had more of life business than non-life business namely, South Africa, Namibia, Mauritius, Lesotho, Botswana, Swaziland, Malawi and Zimbabwe. For the rest of the countries, Non-Life business contributed a larger share of the overall business volume ranging from Zambia (70.0%) to Angola (97.3%). Clearly, these countries need to strategically develop their respective Life assurance industries.

Chart 2.3.1.1: Country by Country Portfolio Distribution - Life and Non-Life Insurance Business for Some SADC Countries, 2013



The region's non-life business (gross premium written) declined by 4.3% during the year under review, while its life portfolio stagnated at 0%, leading to the overall market decline of 1.0% (see Chart 2.3.1.2).

Chart 2.3.1.2: Country by Country Insurance Business GPW Growth Rates by Class in 2013 over Prior Year



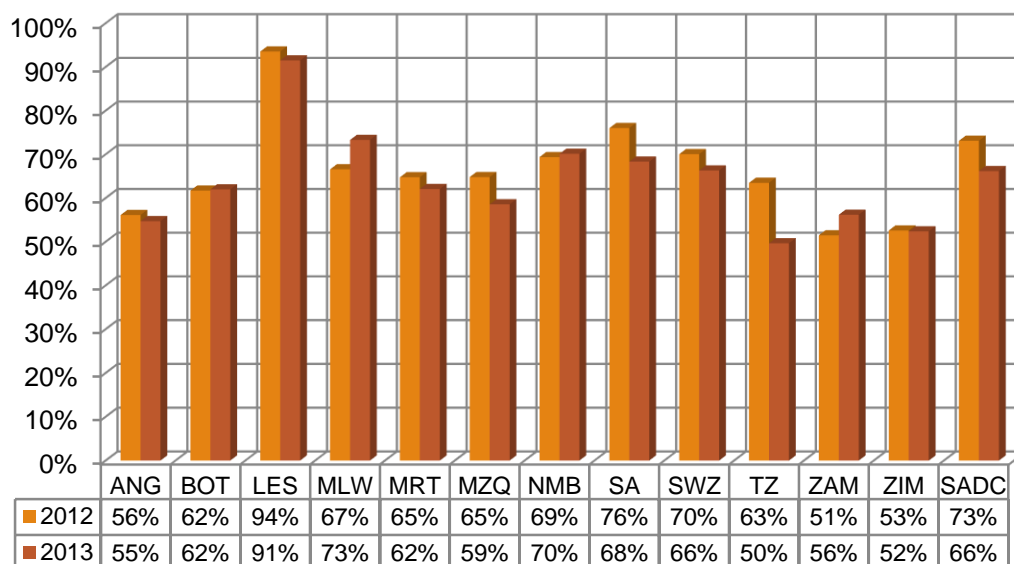
Non-Life Insurance Underwriting Performance

Non-Life Market Retention

Non-Life insurance gross premium written in the regional market totalled USD 12,429 million in 2013, of which USD 4,205 million constituted outward reinsurance premiums. The retention rate

for the regional market was 66% in 2013 (2012:73%) (see Chart 2.3.2.1). On a country-by-country basis, the lowest retention rate during 2013 is noted with Tanzania (50%), while the highest retention rate was experienced by Lesotho (91%).

Chart 2.3.2.1: Country by Country Non-Life Insurance Retention Rates, 2012 & 2013 (in %)



Non-Life Underwriting Expenses

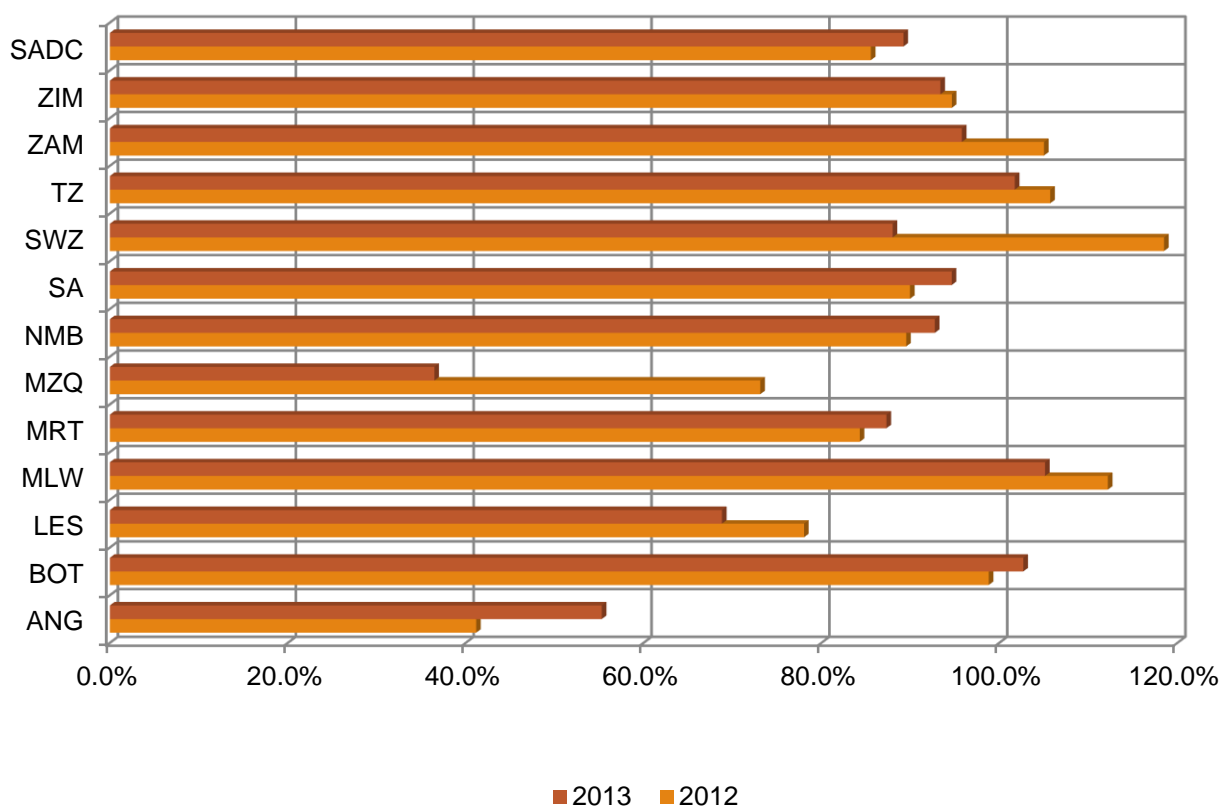
The regional non-life market recorded Net Claims Incurred amounting to USD 4,941 million during the year under review. Meanwhile, the market incurred Net Commissions Paid and Management Expenses of USD 597 million and USD 2,109 million, respectively. Accordingly, the market had an overall Loss Ratio of 58% during 2013 (2012:54.9%).

The market also experienced a Net Commission Ratio and a Net Management Expense Ratio of 7% and 24.8%, respectively.

Non-Life Underwriting Result

Regionally, the market had a favourable underwriting result as evidenced by a Combined Ratio of 89.2% attained during the year under review, lower than the standard maximum limit of 100% (see Chart 2.3.2.2 below). It is noted that three (3) countries experienced underwriting losses during the year under review namely, Botswana, Malawi, and Tanzania.

Chart 2.3.2.2: Country by Country Non-Life Insurance Business Combined Ratios, 2012 & 2013 (in %)



Life Assurance Underwriting Performance

Life insurance gross premium written in the regional market totalled USD 41,552 million in 2013. The retention rate for most countries was on the higher side of 90%.

SADC Insurers' Financial Strength:

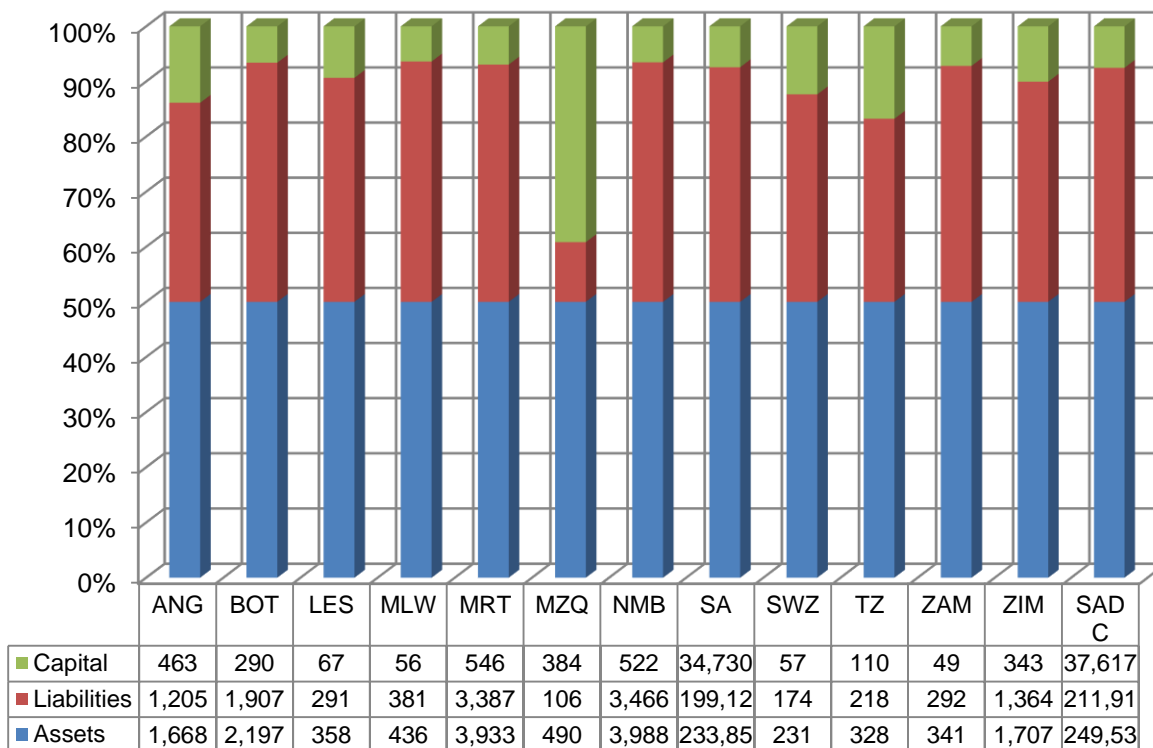
Life and Non-Life Insurers Condensed Balance Sheet Structures

Chart 2.4.1 below presents the position of insurers' balance sheet structures on a country-by-country basis in a condensed form as at 31 December 2013.

Total assets held by insurers in the region at end of December 2013 amounted to USD 249,532 million, a contraction of 6.3% compared to total assets of USD 266,303 million at end of prior year. Insurers' liabilities also decreased by 12.4% to US\$ 211,915 million in 2013 compared to USD 241,987 million in 2012. Meanwhile, insurers' net worth in the region stood at USD 37,616 million at 31 December 2013, having improved by 54.7% compared to net worth of USD 24,316 million at end of prior year.

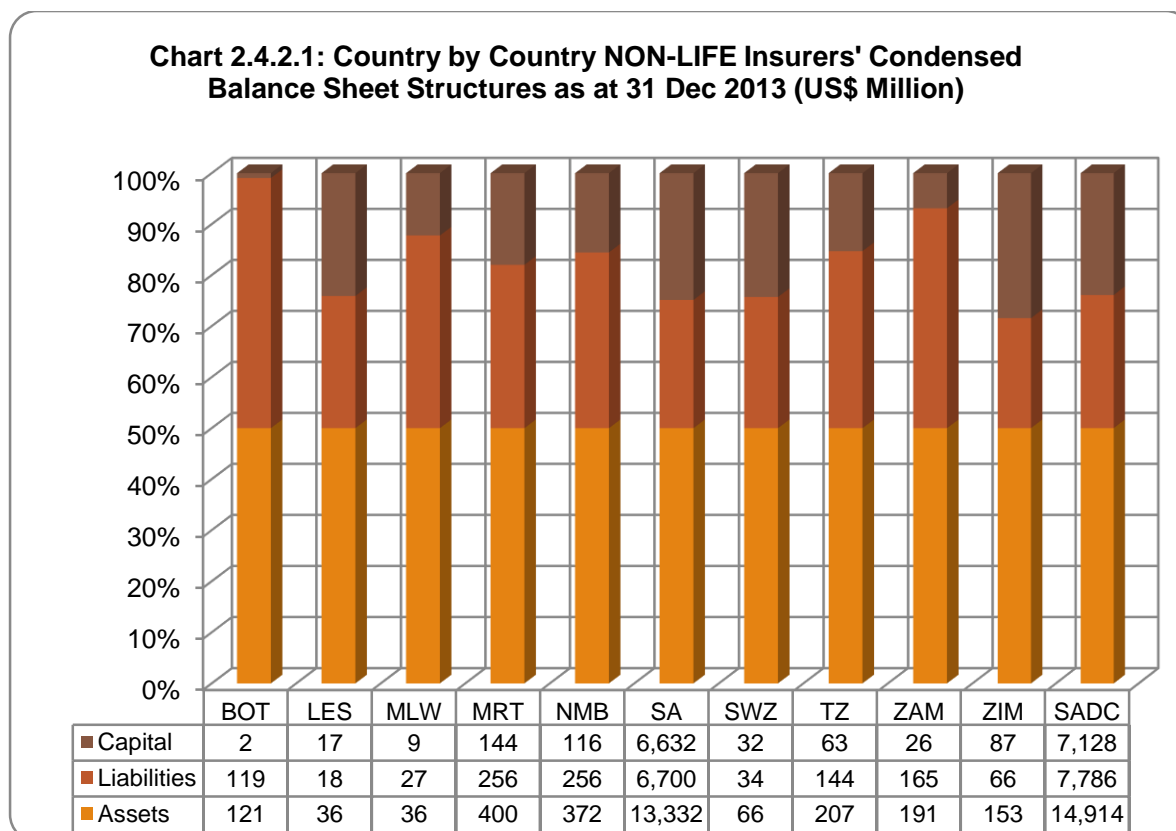
It is noted that insurers' total liabilities equalled 84.9% of total assets at 31 December 2013 (while capital and reserves equalled 15.1% of total assets (see Chart 2.4.1). Regionally, insurers' investment assets accounted for 97.9% of total assets at end of December 2013.

Chart 2.4.1: Country by Country Insurers' Condensed Balance Sheet Structures as at 31 December 2013 (US\$ Million)



Non-Life Insurers Condensed Balance Sheet Structures

Chart 2.4.2.1 below presents the position of non-life insurers' balance sheet structures on a country-by-country basis in a condensed form as at 31 December 2013.

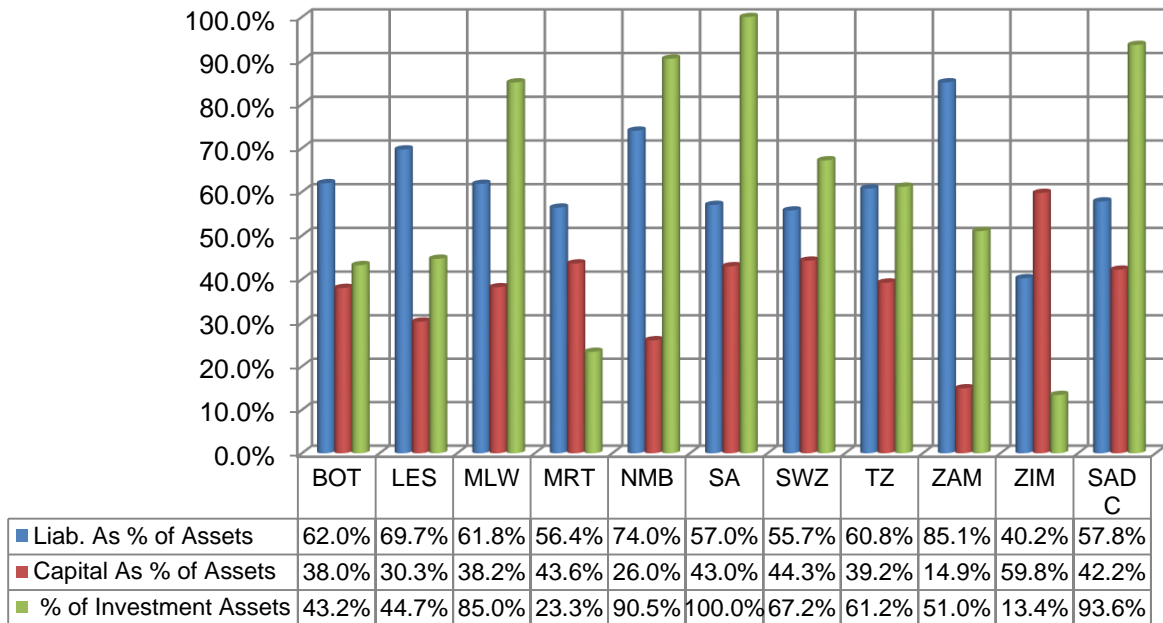


It is noted that two SADC member countries namely, Angola and Mozambique, do not require separate reporting of balance sheets for life insurance and non-life insurance. In view of this, analysis of balance sheet structures is restricted to ten (10) out of the twelve (12) countries involved in this report.

Total assets held by non-life insurers for the countries included in this analysis at end of December 2013 amounted to USD 13,469 million, a decrease of 10.1% compared to total assets of USD 14,984 million at end of prior year. These insurers' non-life liabilities also decreased by 9.1% to USD 7,785 in 2013 compared to USD 8,566 million in 2012. Meanwhile, non-life insurers' net worth in the region stood at USD 5,683 million at 31 December 2013, having reduced by 11.4% compared to net worth of USD 6,418 million at end of prior year.

It is noted that non-life insurers' total liabilities equalled 57.8% of total assets at 31 December 2013, while capital and reserves equalled 42.2% of total assets (see Chart 2.4.2.2). Regionally, non-life insurers' investment assets accounted for 93.8% of total assets at end of December 2013. On a country by country basis, investment assets' ratio ranged between 9.7% in Zambia to 93.0% in South Africa).

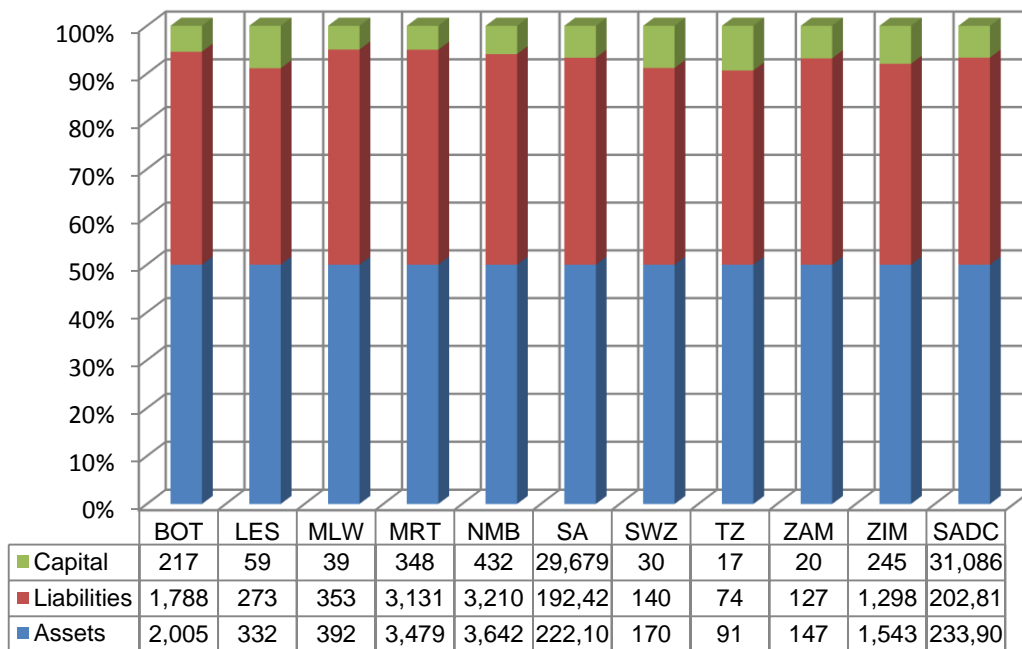
Chart 2.4.2.2: Non-Life Insurance Liabilities, Capital & Reserves, and Investment Assets as % of Non-Life Insurance Assets as at 31 Dec 2013



Life Insurers Condensed Balance Sheet Structures

Chart 2.4.3.1 below presents the position of life insurers' balance sheet structures on a country-by-country basis in a condensed form as at 31 December 2013.

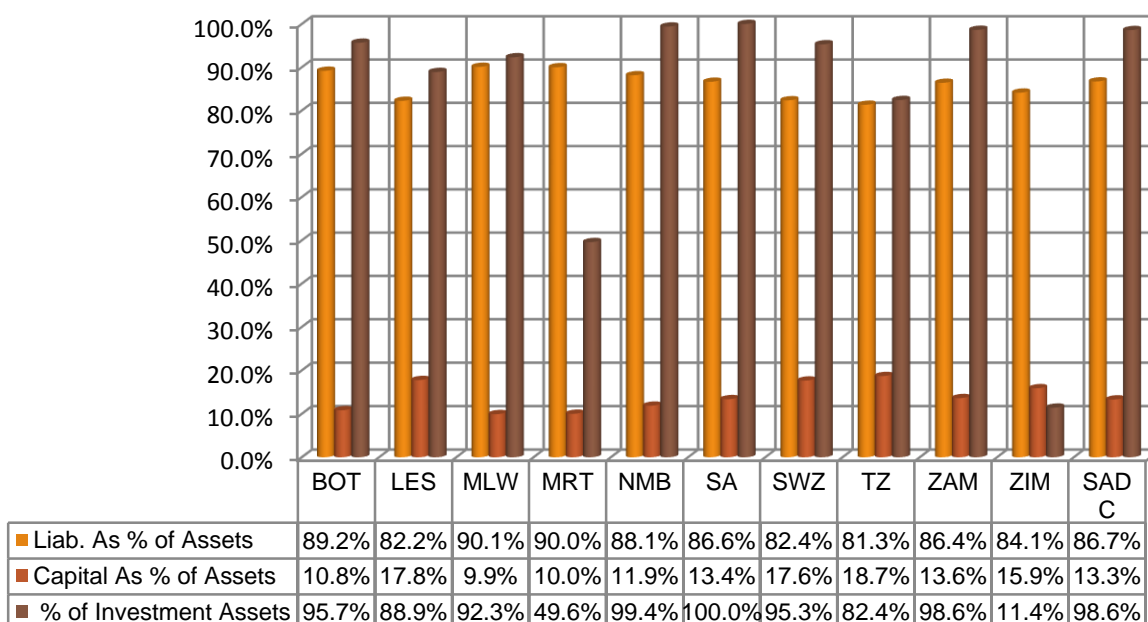
Chart 2.4.3.1: Country by Country Insurers' Condensed Balance Sheet Structures as at 31 December 2013 (US\$ Million)



The analysis of balance sheet structures for life insurers also excludes Angola and Mozambique for the reasons stated above. Total assets held by life insurers for the ten countries included in this analysis at end of December 2013 amounted to USD 233,905 million, a decrease of 6.1% compared to total assets of USD 249,161 million at end of prior year. These life insurers' liabilities also decreased by 12.6% to USD 202,819 in 2013 compared to USD 232,110 million in 2012. Meanwhile, life insurers' net worth in the region stood at USD 31,086 million at 31 December 2012, having increased by 82.3% compared to net worth of USD 17,051 million at end of prior year.

It is noted that life insurers' total liabilities equalled 86.7% of total assets at 31 December 2013, while capital and reserves equalled 13.3% of total assets (see Chart 2.4.3.2). Regionally, Life insurers' investment assets accounted for 98.6% of total assets at end of December 2013.

Chart 2.4.3.2: Life Insurance Liabilities, Capital & Reserves, and Investment Assets as % of Life Insurance Assets as at 31 December 2013



Conclusion

This report sets out to present an overview of the performance of the SADC regional insurance market as a whole as well as on a country-by-country basis for the year ended 31 December 2013. This would enable member countries and other stakeholders to appreciate the development of the market in the region, and thereby plan and implement various strategic measures aimed at enhancing the role of insurance in the socio-economic developments of SADC member countries. Accordingly, the report has attempted to explore the performances of SADC countries' insurance markets in the context of several aspects including, market structure, size, and impact; market capitalisation requirements; underwriting performance; and financial strength. Herein below are the significant findings and recommendations of this report.

The SADC insurance market size in terms of Gross Premiums Written (GPW) is estimated to reach approximately USD 53,982 million in 2013, being a decline of 1.0% compared to USD 54,532 million recorded in the prior year. The 2013 GPW is also higher by 0.7% only compared to USD 53,629 million written five years back in 2009. South Africa held the largest share of the SADC insurance market with GPW of USD 49,347 million in 2013 (2012: USD 50,062 million), representing 91.4% of the entire market business (2012: 91.8%). It is noted that the South African market GPW declined by 1.2% over the prior year. This trend was also reflected in the SADC regional market premium volume.

Wide disparities have been observed in the levels of insurance penetration amongst SADC member countries. Insurance penetration (insurance contribution to the economy) ranged from 0.8% in Angola to 14.55% in South Africa. There is need for member countries to set up and implement within respective countries strategies aimed at promoting insurance thus boosting insurance sales. In this connection, it is critical that insurance supervisory authorities address poor public confidence in insurance services. Consumer education initiatives should also be deployed more intensively within the individual markets.

Out of the total insurance GPW by insurers in the regional market (USD 53,582 million) in 2012, Life insurers contributed a greater share of the overall business at 77%, while Non-Life business accounted for the remaining 23%. On a country by country scenario, eight (8) countries had more of life business than Non-Life business namely, South Africa, Namibia, Mauritius, Lesotho, Botswana, Swaziland, Malawi and Zimbabwe. For the rest of the countries, Non-Life business contributed a larger share of the overall business volume. These countries need to strategically develop their respective Life assurance industries. The region's Non-Life business (gross premium written) further declined by 4.3% during the year under review while its Life portfolio stagnated at 0%.

Regionally, the market had a favourable underwriting result as evidenced by a Combined Ratio of 89.2% attained during the year under review, lower than the standard maximum limit of 100%. Three (3) countries experienced underwriting losses during the year under review namely, Botswana, Malawi, and Tanzania.

Despite a drop in the level of assets, the combined consolidated balance sheet for both life and non-life insurers in the region remained strong during the year under review: Total assets held by insurers in the region at end of December 2013 amounted to USD 249,532 million, a drop of 6.3% compared to total assets of USD 266,303 million at end of prior year; Insurers' net worth in the region increased significantly to USD 37,616 million at 31 December 2013, having improved by 54.7% compared to net worth of USD 24,316 million at end of prior year; Total investment assets accounted for 97.9% of total assets at end of December 2013.

Non-life insurers consolidated balance sheet declined during the year under review: Total assets held by non-life insurers for the countries included in this analysis at end of December 2013 amounted to USD 13,469 million, a drop of 10.1% compared to total assets of USD 14,984 million at end of prior year; Non-Life insurers' net worth in the region reduced to USD 5,683 million at 31 December 2013, having gone down by 11.4% compared to net worth of USD 6,418 million at end of prior year; non-life insurers' total liabilities equalled 57.8% of total assets at 31 December 2013, while capital and reserves equalled 42.2% of total assets. Non-Life insurers' investment assets accounted for 93.8% of total assets at end of December 2013.

Life insurers' consolidated balance sheet also dwindled during the year under review: Total assets held by Life insurers for the ten countries included in this analysis at end of December 2013 amounted to USD 233,905 million, a drop of 6.1% compared to total assets of USD 249,161 million at end of prior year; Life insurers' net worth in the region stood at USD 31,086 million at 31 December 2013, having increased by 82.3% compared to net worth of USD 17,051 million at end of prior year; Life insurers' total liabilities equalled 86.7% of total assets at 31 December 2013, while capital and reserves equalled 13.3% of total assets; Life insurers' investment assets accounted for 98.6% of total assets at end of December 2013.

Micro-Finance and Financial Cooperatives and inclusion of Medical Aid Schemes Sub-Committee

Establishment of New Micro Finance and Financial Cooperatives Sub-committee and Introducing Medical Aid Schemes/Institutions under CISNA

The July 2009 SADC meeting of Ministers of Finance and Investments adopted a resolution for the inclusion of privately administered medical schemes, micro-finance institutions and financial cooperatives in the work programme of CISNA. On 19 August 2013 the SADC Secretariat officially requested the inclusion of micro-finance and financial cooperatives sub-committee. CISNA is in the process of operationalising the sub-committees on medical aid schemes, micro finance and financial cooperatives so as to enable these institutions to participate in CISNA meetings and activities.

In this context SADC Secretariat requested Member States to indicate the relevant Ministries overseeing these institutions and bodies. Based on the information received from Member States it was requested that CISNA Members inform the respective Ministries/institutions of the above Minister's decision and to also request their participation in future CISNA meetings and other activities.

Establishment of CISNA Micro-Finance, Financial Cooperatives and Medical Aid Schemes

Table Indicating Ministries Overseeing Micro-Finance, Financial Cooperatives and Medical Aids Schemes in each Member States

SN	Member States	Micro-Finance (Indicate the Ministry)	Financial Cooperatives (Indicate the Ministry)	Medical Aid Schemes (Indicate the Ministry)
1	Angola	Ministry of Finance	Ministry of Finance	Ministry of Finance
2	Botswana	Ministry of Finance and Development Planning	Ministry of Trade and Industry	Ministry of Finance and Development Planning in collaboration with Ministry of Health
3	DRC	Banque Centrale du Congo	Banque Centrale du Congo	Ministry of Health
4	Lesotho	Central Bank/Ministry of Finance	Central Bank/Ministry of Trade	Central Bank/Ministry of Health
5	Malawi	Reserve Bank of Malawi/Ministry of Trade	Reserve Bank of Malawi/Ministry of Trade	

SN	Member States	Micro-Finance (Indicate the Ministry)	Financial Cooperatives (Indicate the Ministry)	Medical Aid Schemes (Indicate the Ministry)
6	Mauritius	Ministry of Finance and Economic Development	Ministry of Business, Enterprise and Cooperatives	Ministry of Finance and Economic Development
7	Mozambique	Banco de Mocambique	Banco de Mocambique	No information available
8	Namibia	Ministry of Finance. Regulator: NAMFISA	Ministry of Agriculture. Regulator: Registrar of Cooperatives	Ministry of Finance/Ministry of Health. Regulator: NAMFISA
9	Seychelles	No information available	No information available	No information available
10	South Africa	Ministry of Trade and Industry and National Treasury	Ministry of Trade and Industry	Ministry of Health
11	Swaziland	Ministry of Finance	Ministry of Finance	Ministry of Finance and Ministry of Health and Social Welfare
12	Tanzania	Ministry of Industry and Trade	Ministry of Agriculture Food Security, and Cooperatives	Ministry of Health and Social Welfare
13	Zambia	No information available	No information available	No information available
14	Zimbabwe	Ministry of Finance Regulator: Reserve Bank of Zimbabwe	Ministry of Small and Medium Enterprises and Cooperative Development	Ministry of Health and Child Care

Plenary Technical Committees of CISNA

There were four Plenary technical committees during the period under review, namely:

- a) Consumer Financial Education Technical Committee (CFETC);
- b) Training Technical Committee (TTC);
- c) Anti-Money laundering and Combating of Financial Crime Technical Committee (AML/CFT TC); and
- d) Legal Technical Committee (LTC).

Consumer Financial Education Technical Committee (CFETC)

Achievements for 2013

The CFETC considered the following during the period under review:

- Country reports on consumer financial education activities and initiatives;
- CISNA consumer financial education familiarisation programme hosted by FSB annually;
- National CFE programme questionnaires;
- International trends and attendance by CISNA supervisors at the OECD-INFE CFE conference as part of capacity building/ training/ transfer of skills;
- Updated action plan, monitoring and evaluation framework and progress report on the implementation of CISNA strategic goals; and
- Inputs to the CISNA annual report.

In accordance with the objectives, scope of work and action plan of the CFETC the committee has in 2012:

- Successfully established a broader forum for discussions at the CISNA meetings, as the meeting attendance grew from five attendees in Angola, to fourteen in Mauritius;
- Successfully facilitated the CISNA familiarisation programme, hosted by the FSB in South Africa. The programme exposed the participants to the consumer financial education activities of the FSB, other regulators, the financial sector and consumer bodies in South Africa; and provided delegates with the opportunity to share their experiences and challenges regarding consumer financial education in their countries. Fifteen delegates from nine regulatory authorities in eight SADC countries participated in the programme; and
- Drafted a questionnaire to establish the state of consumer financial education in the SADC region. The questionnaire will be distributed to institutions in 2013.

Training Technical Committee (TTC)

Background

The need for capacity building within the region through the coordination of training efforts and development of professional and accredited training for member states (MS) is an enabler for CISNA to effectively execute its functions as set out in Annexure 10 of the Finance and Investment Protocol “the FIP”, the Regional Indicative Strategic Development Plan “the RISDP” through the implementation of the CISNA Strategic Plan. The TTC reports to CISNA Plenary and will be responsible for facilitating the development of competent and professional NBFA and capacity building.

The content and scope of training initiatives can be divided into three broad areas, namely long term training focused on professional development (accredited training), medium term training focused on capacity building and ongoing training on the IOSCO, IAIS and IOPS principles and short-term priority training that is focused on on-the-job training such as familiarisation programs, attachments/ secondments, supervisory colleges, short courses, etc.

Objectives of the TTC

The CISNA training technical committee “TTC” obtains its mandate from the CISNA strategic plan. Therefore, it is a strategic imperative of CISNA to ensure the development and implementation of a CISNA regional capacity building program utilising both internal (regional) and external resources by:

- Assessing regional needs and present focused capacity building programmes to support member states (MS) to build required capacity Training Needs Questionnaire and report and a competency model across organisational within NBFIs;
- Facilitating the development of a regional certification programme for financial regulators i.e. accredited trainers and programmes and appoint service providers to deliver the required training; and
- Implementation of priority programmes to address immediate and urgent regulatory training needs e.g. 30 programmes for 15 delegates and assess the number of person trained on “core needs” programme.

Achievements for 2013

In accordance with the objectives, scope of work and action plan of the TTC the committee has in 2013:

- Successfully established a broader forum for discussions at the CISNA meetings as per the meeting attendance;
- Successfully facilitated the CISNA familiarisation programme, hosted by the FSB South Africa. The programme exposed the participants to the developments in the supervisory and regulatory environments; and provided delegates with the opportunity to share their experiences and challenges regarding supervision and regulation in their countries;

- Drafted a questionnaire to establish the training needs requirements within SADC region. The questionnaire was distributed to all Member States; and
- A draft training needs reports was produced. However not all the MS had provided their input or responded to the training needs questionnaire.

Training needs report key findings

- The biggest challenges for most Authorities are budget and time constraints as well as lack of access to regulatory specific training (while industry wide training is plentiful).
- The 3 areas requiring priority training include the following:

IOSCO principles:

- Regulatory supervision of SROs
- Market analysis
- Corporate governance

IAIS principles:

- Enforcement or sanctions
- Group-wide supervision
- Capital adequacy and solvency
- Corporate governance

IOPS principles:

- Governance roles & capacity of pension funds
- Self-regulation and self-supervision
- Supervision of pension plans

The cross-cutting training needs area is corporate governance

Anti-Money Laundering and Combating the Financing of Terrorism Technical Committee (AML CFT TC)

The AML CFT TC considered the following matters during the period under review:

- Feedback on meetings between the AML CFT TC Chairperson, CISNA Secretariat and the Director- TIFI who provided clarity on the process for the appointment of consultants;
- ESAAMLG coordination with CISNA efforts to avoid duplication of efforts;
- CISNA organizational structures, rules and procedures;
- Inputs to the CISNA annual report and strategic planning review;
- Engagements with the World Bank/ IMF, African Development Bank; IOSCO and GIZ initiatives;
- Membership of the AML CFT TC; and
- Appointment of a new chairperson to the AML CFT TC.

CISNA Plenary resolved that in future CISNA would be represented at ESAAMLG meetings and furthermore, a representative of ESAAMLG would be invited to the CISNA meetings on observer basis to provide feedback both at the AML CFT technical committee and Plenary level.

Legal Technical Committee (LTC)

The Committee was established as a Plenary Committee at the first bi annual meeting for the year in South Africa. The mandate was availed at the next biannual meeting in Swakopmund in Namibia in October 2013.

The Committee's Terms of reference were drafted and finalised at the meeting in Tanzania, April 2013. In terms of the Rules a minimum of 7 members of the Committee is the requirement but only 3 nominations were received in Namibia. These are Zimbabwe, Angola and Swaziland.

The Secretariat advised that the Committee's main mandate was to develop a CISNA model law, in consultation with the SADC Secretariat and the Consultant, GIZ.

The LTC was officially elevated to a Technical Committee of Plenary in 2013 for the development of model laws for all NBFIs supervised under CISNA.

The LTC considered the following matters during the period under review:

- The appointment of a Chairperson and Vice-Chairperson;
- The appointment of a Secretary/ Scribe for LTC meetings;
- Terms of Reference;
- Action plan, Monitoring and Evaluation framework for the LTC; and
- Progress report on the activities of the LTC.

Member Jurisdictional Overview

Appendix A

Capital Market Highlights

Appendix A1

Angola

Overview of the Angolan Securities Market

The Capital Markets Commission ('CMC') in 2013, conduct a review and amendment of the Strategic Plan, due to updates in the field of regulation, as well as to comply with the issues related to financial literacy and the training institute of the establishment to the securities market and good practices of corporate governance.

Creation of the Supervision Manual, the CMC's strategy defined in the field of institutional relations, cooperation with counterparts in other jurisdictions, in order to increase the institutional image and strengthening of cooperation based on the principles and objectives generally accepted

During 2013, the CMC has also developed other activities related to the regulation include:

- Regulation of the OIC;
- Regulations on Venture Capital;
- Regulations on Real Estate Appraisers; and
- Regulation on Consultants and Analysts financial.

Appendix A2

Malawi

Market Performance Highlights	
Traded Value (USD)	34,556,325.81
Traded Volume	4,409,235,132
Number of listed Companies	14
Malawi All Share Index (MASI)	12,531.04
Annual Performance (%)	97.26
Domestic Share Index	9,850.19
Domestic Share Index Performance (%)	97.39
Foreign Share Index	1,709.34
Foreign Share Index Performance (%)	143.42
Market Capitalisation (USD billion)	16.6
Licensees:	
Stock Exchange	1
Asset Management Companies	7
Stock Brokers	4
Unit Trusts	1
Investment Trust/Closed End Schemes	1
Transfer Secretaries	5
Investment Advisors	2

The Reserve Bank of Malawi signed the IOSCO Multilateral Memorandum of Understanding (MMoU) on cooperation and exchange of information during the year, an instrument used by securities regulators around the world to combat cross border fraud and misconduct, a first global benchmark for cooperation amongst securities regulators critical to fighting breaches of securities and derivatives laws.

Appendix A3

Mauritius

The financial services sector is an important pillar of the Mauritian economy which is fast emerging as a financial hub for the Southern African region. Mauritius ranked 45th out of 148 countries by the World Economic Forum Global Competitiveness Report 2013-2014 and 19th out of 185 economies by the World Bank Doing Business Report 2013.

Securities Act 2005

The Securities Act 2005, in force since September 2007, is the main piece of legislation governing the Capital Markets in Mauritius. It establishes a framework for the regulation of securities markets including securities exchanges, clearing and settlement facilities and intermediaries and the regulation of the offering and trading of securities and other related matters. The Securities Act 2005 is benchmarked as per international norms and best practices such as the International Organization of Securities Commissions (IOSCO) Principles.

The Mauritian Securities Exchanges: Profile and Performance

There are two Securities Exchanges which are licensed by the FSC Mauritius under Section 9 of the Securities Act 2005, namely:

The Stock Exchange of Mauritius Ltd (SEM) which started operation in 1989

The SEM operates two markets namely the Official Market (OM) for larger companies and the Development and Enterprise Market (DEM) which is tailored for medium and smaller companies. The SEM has five indices of which the SEMDEX is the main index. The DEM consists of 2 indices whereby DEMEX is the major index. It currently offers a variety of products such as shares, debt instruments, funds, Exchange Traded Funds etc. The Exchange is a member of World federation of Exchanges since 2005. The SEM launched the index SEM-10, comprising shares listed on its Official Market on 2 October 2014. Designed to meet international standards and provide a larger and more attractive investible benchmark for both domestic and foreign market participants, the SEM-10 comprises the ten largest eligible shares of the Official Market, measured in terms of average market capitalisation, liquidity and investibility criteria. For more information, consult <http://www.stockexchangeofmauritius.com/>

The Bourse Africa Ltd (BAL), operational since October 2010

BAL is an international multi-class exchange which offers and trades in three segments namely, the Commodity Derivatives Segment, the Currency Derivatives Segment, and the Equity Segment. For the Commodity Derivatives Segment, three contracts namely in gold, silver and Crude Oil (WTI) are offered while for the Currency Derivatives Segment, five currency pairs are traded namely EUR/USD, GBP/USD, JPY/USD, USD/MUR, ZAR/USD. BAL is the first Exchange in Africa to launch Contracts for Differences (CFDs) on commodities and currencies, and second

Exchange in the world to introduce exchange traded CFDs. For more information, consult <http://www.bourseafrica.com/>

The Stock Exchange of Mauritius Ltd ('SEM') Performance

Table 1: SEM Market Figures: Official Market

Particulars	Figures Dec 2013	Figures Dec 2012
No of listed companies	43	41
Total Volume Traded	1,702,719,731	227,694,945
Total Turnover Value Traded (USD)	346,003,945	306,199,054
Market Capitalisation (USD)	6,974,417,921	5,669,064,037

Source: Stock Exchange of Mauritius Ltd ('SEM')

Table 2: SEM Market Figures: Development & Enterprise Market

Particulars	Figures Dec 2013	Figures Dec 2012
No of listed companies	48	47
Total Volume Traded	408,178,438	76,809,839
Total Turnover Value Traded (USD)	122,716,228	46,632,593
Market Capitalisation (USD)	1,827,341,469	1,429,706,832

Source: Stock Exchange of Mauritius Ltd ('SEM')

Bourse Africa Ltd ('BAL') Performance

The table below gives an overview of the performance of the GBOT for 2012 and 2013

Table 3: GBOT Total Figures for the Derivatives Segments

Particulars	Total Turnover (in USD Million)	Total Volumes (in Lots)
December 2013	5,666	689,269
December 2012	4,394	166,951

Source: Bourse Africa Ltd ('BAL')

Market Intermediaries: Capital Markets

Table 4: Domestic Investment Dealers and Advisers

	2013	2012
Investment Dealer	21	21
Investment Adviser	31	30
Representative of Investment Dealer	52	45
Representative of Investment Adviser	49	42

Source: FSC Mauritius

Note: Figures reflect active entities, that is, those applying for winding up and wound up entities are excluded

Investment Funds and Intermediaries

Investment Funds and their Intermediaries (CIS Managers, CIS Administrators and Custodians) are regulated by the FSC Mauritius under the Securities Act 2005 and the Securities (Collective Investment Schemes and Closed-End Funds) Regulations 2008, which provide for a consolidated regulatory and supervisory framework.

While Investment Funds are authorised as Collective Investment Schemes and Closed-end funds, Intermediaries are granted a licence, except for CIS Administrators which are approved by the FSC Mauritius.

The table below provides a snapshot of Investment Funds and Intermediaries:

Table 5: Licences by Type

Type of Licensees	2013	2012
Total Funds	893	886
Collective Investment Schemes	498	494
Closed-end funds	395	382
CIS Managers	333	307
Custodians	9	8
CIS Administrators	4	4

Source: Financial Services Commission, Mauritius

All figures refer to active entities, i.e. those applying for winding up and wound up entities are excluded

Appendix A4

Mozambique

There is only one Stock Exchange in Mozambique, Bolsa de Valores de Moçambique “BVM” (the Mozambique Stock Exchange).

Market Statistics (31 December 2013)

	Official Market 2013
Number of listings	34
Listed companies	16
Traded Value (USD millions)	68,013
Traded Volume	20,720,709
GDP at Current Prices (USD billion)	15,71
Market Capitalisation (USD billion)	1,197.01
Market Cap. % GDP	5,5%
Liquidity	5,68%
Trade in Bonds (MZN million)	1,762.8

Source: BVM2013, World Bank, IFM World Economic Outlook.

(*) = Estimates

Transactions in the Official Markets 31 December 2013)

	Quantity 2013	Value 2013 (Millions of MT)
Bonds	18,964,427	1,856,427
Commercial papers	863,067	89,909
Shares	893,215	79,149
Total	20,720,709	2,025,497

Source: BVM 2013 and 2014

BVM range of products and financial instruments available include shares, treasure bonds, corporate bonds and corporate shares. Currently there are no market indices on BVM.

Securities (31 December 2013)

	Listed Emissions 2013
Bonds	24
Commercial papers	6
Shares	4
Total	34

Source: BVM 2013

Market Players

	2013
Dealers (Commercial Banks)	9

Appendix A5

Namibia

Market Data: 2013

NSX Overall Index	996.73
NSX Local Index	331.72
Overall Market Capitalisation (USD million)	134,289.9
Local Market Capitalisation (USD Million)	1,786.7
Overall Volume of Securities Traded (USD million)	10.9
Overall Value of Securities Traded (USD million)	525.4
Local Volume of Securities Traded (USD million)	2.8
Local Value of Securities Traded (USD million)	33.6
Total Number of Companies Listed	27
NSX Local Board Listings	8

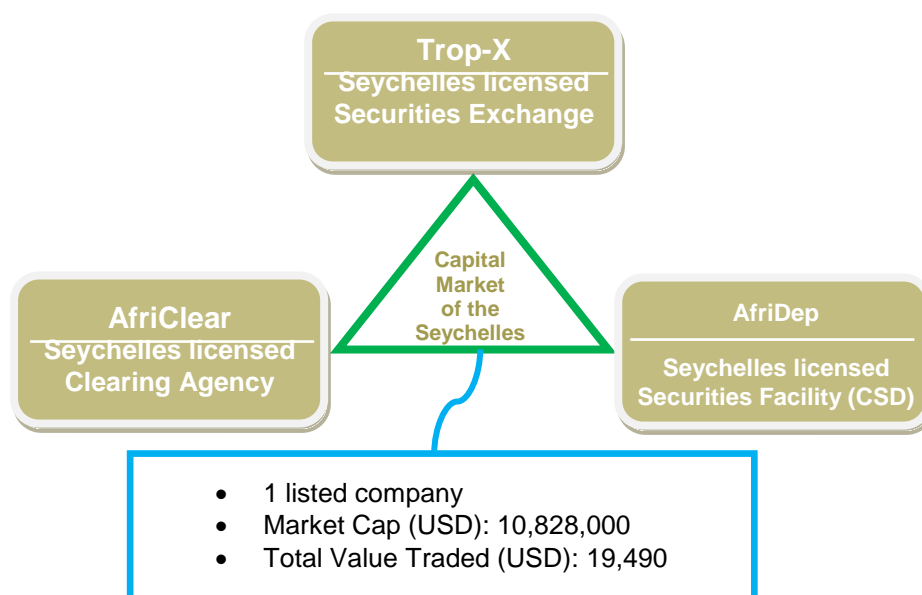
Investment Managers and Unit Trusts	2013
Total Assets Under Management - Investment Managers USD	11,764.9
Total Assets Under Management - Unit Trusts	3,555.3
Number of Approved Companies - Investment Managers	34
Number of Approved Companies - Unit Trusts	13
Number of Active Companies - Investment Managers	20
Number of Active Companies - Unit Trusts	13
Number of Dormant Companies	14

Market Players	2013
Investment Managers	34
Stock Brokers	4
Sponsors	2
Custodians (Commercial Banks)	3
Transfer Secretaries	1

Appendix A6

Seychelles

Capital Market Highlights | 2013



Licence Type	Licensed in 2013	Total licensees as at Dec 2013
Securities Dealers	1	4
Securities Dealer Representative	1	5
Investment Advisor (Firm)	1	4
Investment Advisor Representative	1	6

To note: Securities Dealer under the Securities Act, 2007 provides only for companies and not individuals

Collective Investment Schemes Highlights | 2013

Licence Type	Licensed in 2013	Number of Licensees as at Dec 2013	Total NAV (USD millions)	Cancellation
Seychelles Fund Administrator	1	3		
Approved Foreign Administrator	0	7		
Private Funds	2	7	4.5	
Professional Funds	2	4	27.9	1

Appendix A7

South Africa

Products	
Cash Equities	
Number of listings	389
Turnover (USD millions)	22,686
Volume (millions)	3 805

Capital Raised	2,162
Market Capitalisation – local register (USD millions)	1,011,660
Number of Indices	105
Industrial Index	54,481.85
Mining Index	30,511.79
Net Inflow (USD millions)	-16
Liquidity Ratio	39.4
Foreign Trade%	19

Cash Bonds	
Number of listings	1539
Volume (millions)	
Capital Raised (millions)	464,986
Market Capitalisation-local register (USD millions)	187,441
Net Inflow (USD millions)	0.001085
Foreign Trade %	10

Equity Derivatives	
Amount of Trading Members	120
Amount of contracts cleared	217,958,510
Amount of Clearing Members	9
Turnover (USD millions)	527,540.30
Initial margin held 31 Dec 2012 (USD million)	1,286.37

Interest Rate and Currency Derivatives	
Amount of Trading Members	102
Amount of Contracts Cleared	3,665,646
Amount of Clearing Members	6
Turnover (USD millions)	49,131
Initial Margin Held 31 Dec 2012 (USD million)	347

Commodity Derivatives	
Amount of Trading Members	92
Amount of Contracts Cleared	2, 788,187
Amount of Clearing Members	7
Turnover (USD million)	51, 011
Initial Margin Held 31 Dec 2012 (USD million)	120

Licensing/Market Participants	
Securities Dealers	
Commodity Derivatives Members	86
Equity Derivatives Members	108
Interest Rate & Currency Derivatives Members	104
Equity Members	63
Commodity Derivatives Dealers	720
Equity Derivative Dealers	694
Interest Rate & Currency Derivatives Dealers	707
Equity Traders	1310

Collective Investment Schemes		
Collective Investment Schemes in:	Number of approved portfolios in:	Total assets under management (Rbn)
Securities(local)	1084	1499
Securities(foreign)	306	216
Property	6	34
Participation Bonds	4**	1

**JSE Market Capitalisation of Collective Investment Schemes in Property*

***Number of approved schemes*

Appendix A8

Swaziland

Asset Under Management (USD)

Collective Investment Schemes	925,391,127.77
Investment Advisor	437,304,691.01
Total	1,362,695,818.78

Type and Number of Participants under Supervision

Securities Dealers(Firms)	2
Trustees	3
Manager of Collective Investment Schemes	5
Investment Advisors	13

With the promulgation of the Securities Act, 2010, the capital markets division has submitted the following draft rules and regulations to the Ministry of Finance to commence the legislative process;

- a) Collective Investment Schemes (CIS) Unit Trust rules;
- b) CIS (Accounts and Reports) Rules;
- c) CIS (Investments and Borrowing Powers) Rules;
- d) CIS (Prospectus Requirements) Rules;
- e) Conduct of business rules;
- f) Capital Adequacy Standards Notice;
- g) Securities Exchanges Rules;
- h) Licensing rules for dealers and Investment advisers;
- i) The Central Securities Depository Rules.

A fit a proper guideline has been finalised and circulated to all market participants and is currently in use.

Appendix A9

Tanzania

Key Market Highlights

Year Ended 31 December 2013	
Tanzania Share Index (TSI)	2,843.50
All share Index	1,866.57
Banking and Investment Index	2,510.88
Industrial & Allied	3,414.56
Commercial Services Share Index	1,998.59
Volumes Traded (m' shares)	159
Turnover in USD million	243.65
Market Cap (USD billion)	10.46
Number of Listed Companies	18

Licensing of Market Players

A summary of licensing activities by the Capital Markets and Securities Authority for the year ending 31 December 2013 is as shown below:

Licences	Licensee	Number
Issued	Stock Exchange	1
Issued	Open Ended Collective Investment Schemes	5
Issued	Investment Management Companies	2
Issued	Real Estate Investment Trust	0
Issued	Licensed Dealing Members	7
Issued	Investment Advisers	20
Issued	Custodians	3
Issued	Nominated Advisers	5
Issued	Bond Traders	5

Appendix A10

Zambia

Below is a table that shows the performance of the Zambian Capital Markets as at 31 December 2013:

Market Performance Indicators	31/12/2013	31/12/2012	% change
LuSE All Share Index	5300.1	3620.7	46.4 ↑
Market Capitalisation USD billion	10.484	9.399	11.5 ↑
Market Capitalisation/GDP ratio (%)	52.40	52.79	0.74 ↓
Volume (millions)	276	2079	86.7 ↓
Turnover (USD millions)	38	73	47.9 ↓
Turnover /Market Capitalisation (%)	0.42%	0.73%	42.5 ↓
Number of brokers	6	6	
Trades in Bonds	167	182	8.2 ↓
Turnover (bonds) (ZMK' billions)	2035	1631	24.86 ↑

Licensing of Market Players

As at 31 December 2013, the numbers of entities and individuals which were authorised, registered or otherwise lawfully conducting business on the securities sector were as follows:

Dealers	24
Dealers Representatives	50
Investment Advisers	6
Investment Advisers Representatives	5
Securities Exchanges	2
As at 31 December 2013, the Issuers of Securities were as follows:	
<i>Listed Equity Issuers</i>	21
<i>Listed Corporate Bonds</i>	8
<i>Quoted equity Issues</i>	8
<i>Collective Investment Schemes</i>	6
<i>Quoted Fund</i>	0

Appendix A11

Zimbabwe

Key Market Highlights

Year Ended 31.12.13	
Industrial Index	202.12
Mining Index	45.79
Volumes Traded (m' shares)	2,996.9
Foreign (m' shares)	1,687.9
Value (USD million)	485.7
Net Foreign Inflows (USD million)	96.3
Market Capitalisation (USD billion)	5.20
Number of Listed Companies	68

Licensing of Market Players

A summary of licensing activities by the Commission for the year ending 31 December 2013 is as shown below:

Licences	Licensee	Number
Issued	Securities dealers Individuals	41
Issued	Securities Dealers Firms	14
Issued	Custodians	5
Issued	Transfer Secretaries	3
Issued	Investment Advisors	21

The licensing process however continues throughout the year.

- An application for the establishment of a CSD has been submitted to SEC Zimbabwe
- The Securities (Central Securities Depository) Rules 2013 were published in May 2013
- A substantive CEO for the ZSE was appointed with effect from 1 June 2013
- The Securities Amendment Bill was passed into law on 31 August 2013

Appendix B

Retirement Funds Highlights

Appendix B1

Botswana

Entities registered under the Pension Legislation as at 31 December 2013

TOTAL	31 Dec 2013
Local Retirement Funds	93
Foreign Retirement Funds	N/A
Fund Administrators	N/A

Funds not regulated by NBFIRA:

Types of Funds	2013
Provident Funds	0
Pension Funds	93
Other	0
Total	93

Exchange rate as at 31 December 2014 USD = \$1 PULA exchange rate: 0.1101

Market size (local currency in millions)

	2013	2012
Contributions	2335	2 335
Benefits paid	2 823	2 823
Total assets	47 408	47 408

Market impact

GDP as at 31 December 2013 US\$ 14 979.3(Mil) Pula: 0.1101 (136 051.77 Mil)

Appendix B2

Malawi

Entities registered under the Pension Legislation as at 31 December 2013

TOTAL	31 Dec 2013
Local Retirement Funds	
Foreign Retirement Funds	
Fund Administrators	

Funds not regulated by Reserve Bank of Malawi:

Types of Funds	2013
Provident Funds	0
Pension Funds	1 677
Other	0
Total	1 677

Exchange rate as at 31 December 2013 USD=\$1 Malawian Kwacha exchange rate: 0.0025

Market size (local currency in millions)

	2013	2012
Contributions	23 956.94	0
Benefits paid	6 641.03	
Total assets	170 753.74	101 753.74

Market impact

GDP as at 31 December 2013 US\$ 3 883.5(Mil)

Malawian Kwacha: 0.0025 (1 553 400 Mil)

Appendix B3

Mauritius

Entities registered under the Pension Legislation as at 31 December 2013

Total	31 Dec 2013
Local Retirement Funds	57
Foreign Retirement Funds	2
Fund Administrators	5

Funds regulated by the Financial Services Commission, Mauritius:

Private Pension Schemes

The Private Pension Schemes Act 2012 provides for a regulatory and supervisory framework for the operation of private pension schemes and for related matters in Mauritius. It is the main piece of legislation governing the Private Pension Schemes and is based on international best norms and standards such as the OECD/IOPS.

The regulatory objectives of the Commission under the Private Pension Schemes Act are as follows:

- maintaining a fair, safe, stable and efficient private pension industry for the benefit and protection of beneficiaries;
- promoting confidence in the private pension industry;
- ensuring fair treatment to beneficiaries;
- ensuring that the activities of a private pension scheme are not used in furtherance of, or for a purpose connected with, a financial crime; and
- ensuring the orderly growth of the private pension industry in Mauritius.

Types of funds	2013	2012
Provident Funds	NA	NA
Pension Funds	59	53
Other	NA	NA
Total	59	53

Exchange rate as at 31 December 2013 USD = \$1 Mauritian Rupee exchange rate: USD 0.033

Market size (local currency in millions)

	2013	2012
Contributions	1,024,533,405	788,429,171
Benefits Paid	533,539,030	420,863,306
Total Assets	40,688,386,761	35,503,041,781

Market impact

GDP as at 31 December 2013 US\$ 11 970.0 (Mil) Mauritian rupees: 0.033 (362 727.27 Mil)

Appendix B4

Namibia

Entities registered under the Pension Legislation as at 31 December 2013

Total	31 Dec 2013
Local Retirement Funds	116
Foreign Retirement Funds	0
Fund Administrators	12

Funds not regulated by NAMFISA:

Types of funds	2013	2012
Provident Funds		
Pension Funds		
Other		
Total		

Exchange rate as at 31 December 2013 USD = \$1 Namibian dollar exchange rate: 0.0912

Market size (local currency in millions)

	2013	2012
Contributions	4 414	3 874
Benefits Paid	3 597	2 880
Total Assets	105 627	85 757

Market impact

GDP as at 31 December 2013 US\$ 12 932.2 (Mil) Namibian dollar: 0.0912 (141 800.44 Mil)

Appendix B5

South Africa

Entities registered under the Pension Legislation as at 31 December 2013

Total	31 Dec 2013
Local Retirement Funds	6 580
Foreign Retirement Funds	1
Fund Administrators	6 581

Funds not regulated by Financial Services Board:

Types of funds	2013	2012
Provident Funds	925	962
Pension Funds	978	980
Other	63	65
Total	1 987	2 007

Exchange rate as at 31 December 2013 USD = \$1 South African Rand exchange rate 0.1047

Market size (local currency in millions)

	2013	2012
Contributions	124 721	112 805
Benefits Paid	146 349	123 466
Total Assets	1 859 758	1 613 898

Market Impact

GDP as at 31 December 2013 US\$ 366 057.9(Mil) Rands: 0.1047 (3 496 255.01 Mil)

Appendix B6

Swaziland

Entities registered under the Pension Legislation as at 31 December 2013

Total	31 Dec 2013
Local Retirement Funds	71
Foreign Retirement Funds	44
Fund Administrators	4

Funds not regulated by Financial Services Regulatory Authority

Types of funds	2013	2012
Provident Funds		
Pension Funds		
Other		
Total		

Exchange rate as at 31 December 2013 USD = \$1 Swaziland Lilangeni SZL 0.1097

Market size (local currency in millions)

	2013	2012
Contributions	1 215.34	1167.42
Benefits Paid	906.87	325.45
Total Assets	20 784.99	18 982.61

Market impact

GDP as at 31 December 2013 US\$ 3 530.2 (Mil) Lilangeni SZL 33 750 (Mil)

Appendix B7

Tanzania

Entities registered under the Pension Legislation as at 31 December 2013

Total	31 Dec 2013
Local Retirement Funds	6
Foreign Retirement Funds	
Fund Administrators	

Funds not regulated by Social Security Regulatory Authority

Types of funds	2013	2012
Provident Funds		
Pension Funds		
Other		
Total		

Exchange rate as at 31 December 2013 USD = \$1 Tanzanian Shillings (TZS) 1581.84

Market size (local currency in millions)

	2013	2012
Contributions	1,976,018	1,631,268
Benefits Paid	1,391,245	1,067,637
Total Assets	7,631,443	6,587,355

Market impact

GDP as at 31 December 2013 US\$ 33.23 billion = Tanzanian Shillings (TZS): 70,953 billion

Appendix B8

Zambia

Entities registered under the Pension Legislation as at 31 December 2013

Total	31 Dec 2013
Local Retirement Funds	1 152
Foreign Retirement Funds	0
Fund Administrators	26

Funds not regulated by Pension and Insurance Authority:

Types of funds	2013	2012
Provident Funds	0	0
Pension Funds	238	232
Other	0	0
Total	238	232

Exchange rate as at 31 December 2013 USD = \$1 Zambian Kwacha exchange rate: 0.0002.

Market size (local currency in millions)

	2013	2012
Contributions	663.9	504
Benefits Paid	663.9	523.3
Total Assets	4 298.5	3 404.5

Market Impact

GDP as at 31 December 2013 US\$ 26 820.8 mill Zambian Kwacha: 134 104 000 (Mil)

Appendix B9

Zimbabwe

Entities registered under the Pension Legislation as at 31 December 2013

Total	31 Dec 2013
Local Retirement Funds	1 152
Foreign Retirement Funds	0
Fund Administrators	26

Funds not regulated by IPEC:

Types of funds	2013
Provident Funds	0
Pension Funds	1 152
Other	0
Total	1 152

Exchange rate as at 31 December 2013 USD = \$1 Zimbabwean dollar has been discontinued and replaced with USD

Market size (local currency in millions)

	2013	2012
Contributions	341 717	0
Benefits Paid	157 000	0
Total Assets	2 495 571	0

Market impact

GDP as at 31 December 2013 US\$ 13 490.2 (Mil)

Corporate Profiles

Corporate Profile Background Information

Name of Authority: Capital Markets Commission (Comissão do Mercado de Capitais–CMC)

Country: Angola

Regulated Industry:

Financial Industry (Stock, Bonds, commodities and futures exchanges; Clearing, Depositories and Settlement houses; Financial Intermediation Agents, Brokers and dealers, Independent investment advisors; Securities Issuers; Institutional investors and holders of qualified shareholdings; Guarantees fund; Auditors and financial analysts; Investment companies; Companies managing patrimonies, securitization funds and holdings; Other persons exercising activities related with securities' issue, distribution, trading, registration and deposit).

Date of Establishment: March 18, 2005

Market Legislation:

Securities Act n.12/5, Financial Institutions Act n.13/5, Legal Procedures for Regulated Market of Public Debt Securities (Presidential Legislative Decree n. 4/13), Legal Procedures for Brokers and Distributors Securities (Presidential Legislative Decree. 5/13), Legal Procedures for Management companies of regulated markets and financial services on securities (Presidential Legislative Decree n. 6/13), Legal Procedures for Collective Investment Schemes (Presidential Legislative Decree n. 7/13), Legal Procedures for Tax regulation of Collective Investment Schemes (Presidential Legislative Decree n. 1/14), Regulation of CMC n. 1 for Experts real estate appraisers of real estate investment funds, Regulation of CMC n. 2 for Regulated Market, Regulation of CMC n. 3 for Management companies of regulated markets, clearing, depositories and settlement houses, Regulation of CMC n. 4 for Collective Investment Schemes.

Board of Directors:

Chairman appointed by Angolan President-Augusto Archer Mangureira,
Members appointed by Angolan President:

- Mario Nascimento - Office of Administration and Finance;
- Patricio Vilar - Office of Release and Investments;
- Mario Gavião - Office of Supervision and Litigation; and
- Vera Daves – Office of Research and Cooperation.

Chief Executive Officer: N.A.

Contact Details:

Physical / Postal Address:

Rua do MAT, 3º B, GU 19B, Bloco A5, 1º e 2º, Sector de Talatona, Município de Belas, CP 5250
Luanda - Angola

Email: institucional@cmc.gv.ao

Phone:(+244) 222-704600/601

Fax: (+244) 222-704609

Website: www.cmc.gv.ao



Corporate Profile Background Information

Name of Authority: Non-Bank Financial Institutions Regulatory Authority (aka NBFIRA)

Country: Botswana

Regulated Industry: All non-bank financial sectors

Date of Establishment: By Act of Parliament in 2006, but only started operations in April 2008

Market Legislation:

- i) NBFIRA Act, Insurance Industry Act
- ii) International Insurance Act
- iii) Pension and Provident Funds Act
- iv) Botswana Stock Exchange Act
- v) Collective Investment Undertakings Act
- vi) Relevant portions of Part XIV of the Income Tax Act
- vii) All Prudential Rules from above Acts

Board of Directors:

Six (6) independent non-executive Board members, out of which two are ex-officio Board Members, namely the Permanent Secretary in the Ministry of Finance and Development Planning and the Governor of the Central Bank.

The Chairman and Members are all appointed by the Minister of Finance and Development Planning, whilst the Deputy Chair elected by other Board Members. Ex-officio Board members can neither be appointed Chairpersons, nor elected Deputy Chairpersons.

Chief Executive Officer: Mr Oaitse M Ramasedi

Contact Details:

Physical: Third Floor, Exponential Building, Plot 54351, CBD, Gaborone

Postal Address: P/Bag00314, Gaborone, Botswana

Email: tmakwaeba@nbfira.org.bw

Phone: (+267)3102595 / (+267)3686100

Website: www.nbfira.org.bw



Corporate Profile Background Information

Name of Authority: Central Bank of Lesotho

Country: Lesotho

Regulated Industry: None as yet

Date of Establishment: 1978

Market Legislation:

- Central Bank (Capital Market) Regulations 2014,
- Central Bank of Lesotho (Collective Investment Schemes) Regulations 2001.

Mandate:

- Licensing of CIS Asset Managers
- To license and supervise Maseru Stock Exchange as well as the other capital market players

Board of Directors:

Board of Directors is chaired by the Governor who is appointed by the King advised by the Minister of Finance and Prime Minister. There are three Executive Directors namely the Governor and two Deputy Governors. The other 5 Directors and non-executive are appointed by the Minister of Finance.

Operational Structure/Secretariat:

The day to day management of the Bank is done by the Governor assisted by two Deputy Governors and 8 directors of departments.

Chief Executive Officer: Dr A R. Matlanyane (Governor)

Contact Details:

Office Central Bank of Lesotho
Postal Address:
P.O.Box 1184,
Corner Moshoeshoe and Airport Roads
Maseru 100
Lesotho
Tel +266 314281

Corporate Profile Background Information



Name of Authority: Reserve Bank of Malawi

Country: Malawi

Regulated Industry: Banks and Non-banking Financial Services Industry, including Pension Funds, Insurance, Medical aid, Capital Markets, Collective Investments Schemes, Financial Cooperatives and Microfinance Institutions

Date of Establishment: 1965

Market Legislation:

- Financial Services Act No 26 of, 2010
- Reserve Bank of Malawi Act
- Pension Act, No 6 of 2011
- Insurance Act, No 9 of 2010
- Microfinance Act, No 21 of 2010
- Banking Act No 10 of 2010
- Securities Act, No 20 of 2010
- Financial Cooperatives Act No 8 of 2011

Board of Directors: The RBM Board comprises 7 non-executive Board members from diverse backgrounds appointed by the Minister of Finance with due regard to experience and technical skills. The Board remains primarily responsible for the oversight function over the RBM.

Registrar of Financial Institutions/Chief Executive Officer: Charles S. R Chuka

Contact Details:

Physical Address:

HEAD OFFICE

Convention Drive

P O Box 30063

Lilongwe 3

BLANTYRE BRANCH

10 Hannover Avenue

P. O Box 565

Blantyre

Telephone: +265 1 771 600 /+265 1 820 299

Fax: +265 1 774 289/ +265 1 822 118

E-mail: reserve-bank@rbm.mw

Website: www.rbm.mw



Financial Services Commission
Mauritius

Corporate Profile Background Information

Name of Authority: Financial Services Commission, Mauritius

The Financial Services Commission, Mauritius (FSC Mauritius) is the integrated regulator for the non-bank financial services sector and global business. Established in 2001, the FSC is mandated under the Financial Services Act 2007 and has as enabling legislations the Securities Act 2005, the Insurance Act 2005 and the Private Pension Schemes Act 2012 to license, regulate, monitor and supervise the conduct of business activities in these sectors. The mission of the FSC Mauritius is to:

- Promote the development, fairness, efficiency and transparency of financial institutions and capital markets in Mauritius;
- Suppress crime and malpractices so as to provide protection to members of the public investing in non-banking financial products; and
- Ensure the soundness and stability of the financial system in Mauritius.

Country: Republic of Mauritius

Regulated Industry: Non-Bank Financial Services Sector and Global Business

- Capital Markets and Investments Funds and Intermediaries
- Insurance and Pensions
- Entities licensed under Second Schedule of the Financial Services Act 2007
- Global Business

Date of Establishment: 01 December 2001

Market Legislation:

- Financial Services Act 2007
- Securities Act 2005
- Insurance Act 2005
- Private Pension Schemes Act 2012

Board of FSC Mauritius:

The FSC Mauritius shall be administered and managed by a Board.

Section 4(2) of the Financial Services Act 2007 stipulates that the Board shall consist of –

- a) a Chairperson, suitably qualified and experienced in the field of business, finance or law, appointed by the Prime Minister on such terms and conditions as the Prime Minister may determine; and
- b) a Vice-Chairperson, and not more than 5 other members, suitably qualified and experienced in the field of business, finance or law, appointed by the Minister on such terms and conditions as the Minister may determine.

Chief Executive Officer: Ms Clairette Ah-Hen

The Chief Executive (CE), appointed by the Board with the approval of the Minister, is responsible for the execution of the policy of the Board and for the control and management of the day-to-day business of the Commission.

Organisational Structure

The FSC Mauritius has three directorates namely Licensing and Policy, Surveillance and Corporate Services. The Licensing and Policy Directorate comprises Licensing and Policy clusters. The Licensing Cluster licenses and conducts pre-surveillance of business activities in the non-banking financial services and global business sectors. The Policy Cluster is responsible for the formulation of the policy framework with a view to spearheading the development of the Mauritius International Financial Centre of good repute and substance. The Surveillance Directorate consists of the Capital Markets, Investment Funds and Intermediaries, Insurance and Pensions and Global Business Clusters. The Directorate ensures that all licensed firms and intermediaries comply with regulatory and disclosure requirements on an ongoing basis. The Corporate Services Directorate regroups the Human Resource, Administration and Enterprise Risk, Finance and Information Technology Clusters. The Directorate manages business transformation and implements the change strategy to help the FSC Mauritius effectively manage a world class regulatory regime.

Contact Details:

FSC House
54 CyberCity, Ebène, 72201
Republic of Mauritius
Tel: + (230) 403 7000
Fax: +(230) 467 7172
Email: fscmauritius@intnet.mu; fscpolicy@fscmauritius.org
Website: www.fscmauritius.org
Consumer Education Website: www.protectyourfinance.com



Corporate Profile Background Information

Name of Authority: Bank of Mozambique (Banco de Moçambique)

Country: Mozambique

Regulated Industry:

- Non-Bank Financial Industry
- Stock Market.
- Collective Investment Schemes.
- The Manager of a Collective Investment Scheme.
- Central Securities Depository
- Brokers and Dealers.

Date of Establishment: 17 May, 1975.

Market Legislation:

- Securities Code, Decree-Law Nr. 4/2009, of June 2
- Banks and Financial Societies' Law, Law N^o. 15/1999 of 1st November, as amended by the Law N^o. 9/ 2004, of 21 July
- The Money Laundering and Financing of Terrorism Prevention Act, Law Nr. 14/2013, of 12 August
- The Collective Investment Schemes, Decree Nr. 54/1999, of 8 September
- The Money Laundering and Financing of Terrorism Prevention regulation, Decree Nr. 66/2014, of 29 October
- Foreign Exchange Regulation, Decree Nr. 83/2010, of 31 December (Section III – Investment on securities)

Board of Directors: Governor and Deputy-Governor appointed by the President of the Republic and other Board members (General Managers) appointed by the Prime Minister.

Chief Executive Officer: N.A

Contact Details:

P.O. Box 423

Maputo - Mozambique

Physical/Postal Address:

Av. 25 de Setembro Nr. 1695, Maputo – Mozambique

Phone: +258 21354600; Fax: +258 21323247

Website: www.bancomoc.mz

Corporate Profile Background Information



Name of Authority: Namibia Financial Institutions Supervisory Authority (“NAMFISA”)

Country: Namibia

Regulated Industry: Pension Funds, Long and Short-term Insurance, Medical Aid Funds, Friendly Societies, Units Trust Schemes and Management Companies, Capital Markets and Microlending.

Date of Establishment: 2001

Market Legislation:

- NAMFISAAct,2001
- Long-term Insurance Act,1998
- Short-term Insurance Act,1998
- Inspection of Financial Institutions Act,1984
- Investment of FundsAct,1984
- Usury Act,1968
- Public Accountants and Auditors Act,1951
- Participation Bonds Act,1981
- Stock Exchange Control Act,1985
- Unit Trust Control Act,1981
- Friendly Societies Act,1956
- Pension Funds Act,1956
- Medical Aid Fund Act,1956

Board of Directors: Chair appointed by Minister of Finance; Members appointed by Minister of Finance

Chief Executive Officer: Mr. Phillip Shiimi

Contact Details:

Physical/Postal Address:

154 Independence Ave,
1st floor, Sanlam Centre,
Windhoek, Namibia

PO Box 21250

Email: pshiimi@namfisa.com.na

Phone: +264612905000

Website: www.namfisa.com.na



Corporate Profile Background Information

Name of Authority: Financial Services Board

Country: South Africa

Regulated Industry: Non-banking Financial Services Industry, including Retirement Funds, Friendly Societies, Long-term and Short-term Insurance, Capital Markets, Collective Investments Schemes, Financial Services and Intermediary Services and Credit Rating Agencies.

Date of Establishment: 01April1991

Market Legislation:

- Collective Investment Schemes Control Act (Act 45 of 2002)
- Credit Rating Services Act (Act 24 of 2012)
- Financial Advisory and Intermediaries Services Act (FAIS Act)(Act 37 of 2002)
- Financial Institutions (Protection of Funds) Act (Act 28 of 2001)
- Financial Intelligence Centre Act (Act 38 of 2001)
- Financial Markets Act (Act 19 of 2012)
- Financial Services Board Act (Act 97 of 1990)
- Financial Services Ombud Schemes Act (Act 37 of 2004)
- Financial Supervision of the Road Accident Fund Act (Act 8 of 1993)
- Friendly Societies Act (Act 25 of 1956)
- Inspection of Financial Institutions Act (Act 80 of 1998)
- Long-term Insurance Act (Act 52 of 1998)
- Pension Funds Act, 24 (Act 24 of 1956)
- Short-term Insurance Act (Act 53 of 1998)

Board of Directors: The FSB Board comprises of 10 non-executive Board members from diverse backgrounds appointed by the Minister of Finance with due regard to experience and technical skills. The Board remains primarily responsible for the oversight function over the FSB and for strategic direction and operational performance, financial matters, risk management and compliance. The Board is also the accounting authority of the Office of the Pension Funds Adjudicator (OPFA) and the Office of the Financial Advisory and Intermediary Service (FAIS) Ombud.

Chief Executive Officer: Adv Dube Tshidi

Contact Details:

Physical Address: River walk OfficePark41 Matroosberg Road
Ashlea Gardens Extension6
MenloPark, SouthAfrica0081
Telephone: +27124288000
Fax: +27123466941
E-mail: info@fsb.co.za
Website: www.fsb.co.za



Corporate Profile Background Information

Country: Seychelles

Industry: Capital Markets, Collective Investment Schemes and Insurance

Regulator: Seychelles International Business Authority

Date of establishment: 1994

Market Legislation:

- Securities Act, 2007
- Mutual and Hedge Fund, Act, 2008
- Insurance Act, 2008

Governance: In accordance with Section 5 of the Seychelles International Business Authority Act 1994, SIBA is administered by a board of Board of Directors.

Regulatory Structure/Mandate:

- The Seychelles International Business Authority Act 1994 specifies and regulates the functions of SIBA as an Authority and provides for matters relating to the management and operation of SIBA.
- In accordance with Section 4 of the Seychelles International Business Authority Act 1994, the objects of SIBA are as follows:
 - To monitor, supervise and coordinate the conduct of international business activities from within Seychelles;
 - To compile and disseminate information on Seychelles as a Centre for International Business activities;
 - To carry out the functions of an Authority or Registrar for the purpose of any written law;
 - Where it is required under or in connection with any written law for the purpose of which it has been designated as the Authority, to provide such infrastructural and ancillary facilities as are necessary for the purpose of the written laws;
 - To ensure that international business activities are transacted in conformity with the laws of Seychelles and established norms of good and honourable conduct and to preserve and maintain the good repute of Seychelles as a Centre for international business activities; and
 - To advise the Government generally on matters relating to international business activities.

Chief Executive Officer: Mrs Wendy Pierre

Address:

Bois De Rose Avenue
Victoria
P.O Box 991
Seychelles
Telephone: +248 438-08-00
Fax: +248 438-08-88

Corporate Profile Background Information



Name of Authority: Financial Services Regulatory Authority (FSRA)

The Financial Services Regulatory Authority is an integrated regulator with the mandate to license, regulate and supervise the activities of all non-bank financial institutions in Swaziland.

Country: Swaziland

Regulated Industry: Non-Bank Financial Industry

- Insurer
- Insurance Broker/Agent
- Retirement Fund
- A Provident Fund
- Fund Administrator
- The Trustee of a Retirement Fund
- SACCO
- Central Securities Depository
- Collective Investment Scheme
- Trustee of a Collective Investment Scheme
- The Manager of a Collective Investment Scheme
- Investment Advisers
- Representative of an Investment Adviser
- Credit Bureau
- Dealer
- Representative of a Dealer
- Medical Aid Scheme
- A Medical Aid Scheme Provider
- Nominee
- A Pawnbroker
- Securities Exchange
- A Building Society

Date of Establishment: 2010

Market Legislation:

- Financial Services Regulatory Authority Act, 2010
- Insurance Act, 2005
- Insurance Regulations, 2008
- Retirement Funds Act, 2005
- The Securities Act, 2010

- Building Societies Act, 1962
- Pawn Broking Act, 1894
- The Hire Purchase Act, 1969
- The Lotteries Act, 1963
- The Money Lending and Credit Financing Act, 1991
- The Money Laundering and Financing of Terrorism Prevention Act, 2009

Board of Directors: Chairperson and members are appointed by the Minister of Finance

Chief Executive Officer: Mr. Sandile S. Dlamini

Contact Details:

P.O.Box3365

Mbabane SwazilandH100

Physical/Postal Address:

2nd & 5th Floor, Ingcamu Building, Mhlambanyatsi Road, Mbabane

Email: info@fsra.co.sz

Phone: +26824068000

Website: www.rirf.co.sz www.fsra.co.sz



Corporate Profile Background Information

Name of Authority: Social Security Regulatory Authority (SSRA)

Country: Republic of Tanzania

Regulated Industry: Social Security Sector

Date of Establishment: 2008

Market Legislation:

- The Social Security (Regulatory Authority) Act No. 8 of 2008
- The Social Security Laws (Amendments) Act No. 5 of 2012

Board of Directors: Chair appointed by the President of the United Republic of Tanzania; Members appointed by the Minister of Labour and Employment

Operational Structure / Secretariat: The day to day management of the Commission is done by the Secretariat which is headed by the Chief Executive Officer.

Chief Executive Officer: Ms. Irene Isaka (Director General)

Contact Details:

Physical/Postal Address: Alfa House, Plot No. 25, Bagamoyo Road, Dar es Salaam

Email: info@ssra.go.tz

Phone: +255 22 276 1683-4

Fax: +255 22 276 1681

Website: www.ssra.go.tz



Corporate Profile Background Information

Name of Authority: Tanzania Insurance Regulatory Authority (TIRA)

Country: Republic of Tanzania

Regulated Industry: Insurance

Date of Establishment: 2009 (previously existed as an extra-ministerial department under the Ministry of Finance known as “Insurance Supervisory Department” established in 1997)

Market Legislation: Insurance Act No. 10 of 2009 and Insurance Regulations of 2009

Board of Directors: Chair appointed by the President of the United Republic of Tanzania; Members appointed by the Minister of Finance

Chief Executive Officer: Mr Israel Kamuzora (Commissioner of Insurance and Chief Executive Officer)

Contact Details:

Physical/Postal Address: TIRA Building, Block 33, Plot No. 85/2115, Mtendeni Street, Dar-Es-Salaam

Email: coi@tira.go.tz

Phone: +255 22 2132 537

Website: www.tira.go.tz

Corporate Profile Background Information



Name of Authority: Securities and Exchange Commission

Country: Zambia

Regulated Industry: Capital Markets

Date of Establishment: 26 August, 1993

Market Legislation: Securities Act 354 Vol. 20 of the Laws of Zambia: Statutory Instrument No. 82 Securities (Licensing, Fees and Levies) (Amendment) Rules

Board of Directors: Chairman and members appointed by The Minister of Finance

Chief Executive Officer: Dr E. D. Wala Chabala

Contact Details:

P.O. Box 35165
Lusaka Zambia

Physical Address:

Plot No. 3827, Parliament Road, Olympia

Email: info@seczambia.org.zm

Phone: +260211222368 +26021122701

Fax: +260211225443

Website: www.seczambia.org.zm

Corporate Profile Background Information

Name of Authority: The Securities and Exchange Commission of Zimbabwe

Country: Zimbabwe

Regulated Industry:

Securities Dealers, Securities Investment Advisors, Securities Trustees, Securities Investment Management, Securities Custodians, Securities Transfer Secretaries

Date of Establishment: 2008

Market Legislation:

- Securities and Exchange Act [Chapter 24:25] promulgated in 2004 and operationalised in 2008
- Statutory Instrument 100 of 2010, Securities (Registration, Licensing and Corporate Governance) Rules

Mandate:

- Registers, supervises, and regulates securities exchanges;
- License, supervise and regulate licensed capital markets players;
- Regulates trading and dealing in securities

Board of Directors:

SEC Zimbabwe is headed by a Non-Executive Board of Commissioners which is appointed by the Minister of Finance. The Board is responsible for overall policy direction and leadership to the Commission.

Operational Structure / Secretariat:

The day to day management of the Commission is done by the Secretariat which is headed by the Chief Executive Officer.

Chief Executive Officer: Tafadzwa Chinamo

Contact Details:

The Securities and Exchange Commission of Zimbabwe
20 York Avenue
Newlands Harare Zimbabwe

Postal Address

P.O Box H.G263

Highlands Harare

Zimbabwe

Telephone: +263 – 4 – 776045 / 065 / 206

Fax: +263 4 776166

E-mail: seczim@seczim.co.zw

Web: www.seczim.co.zw

**COMMITTEE OF INSURANCE,
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FINANCIAL AUTHORITIES**
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