

No. 1244

8 December 2006

**SOUTH AFRICAN QUALIFICATIONS AUTHORITY (SAQA)**

In accordance with regulation 24(c) of the National Standards Bodies Regulations of 28 March 1998, the Standards Generating Body (SGB) for

Insurance and Investment

Registered by Organising Field 03, Business, Commerce and Management Studies, publishes the following qualification and unit standards for public comment.

This notice contains the titles, fields, sub-fields, NQF levels, credits, and purpose of the qualification and unit standards. The qualification and unit standards can be accessed via the SAQA web-site at www.saga.org.za. Copies may also be obtained from the Directorate of Standards Setting and Development at the SAQA offices, SAQA House, 1067 Arcadia Street, Hatfield, Pretoria.

Comment on the qualification and unit standards should reach SAQA at the address *below and no later than 8 January 2007*. All correspondence should be marked **Standards Setting – SGB for Insurance and Investment** and addressed to

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SOUTH AFRICAN QUALIFICATIONS AUTHORITY

QUALIFICATION:

National Certificate: Short Term Insurance

SAQA QUAL ID	QUALIFICATION TITLE		
57918	National Certificate: Short Term Insurance		
SGB NAME	ORGANISING FIELD ID	PROVIDER NAME	
SGB Insurance and Investment	3		
QUAL TYPE	ORGANISING FIELD DESCRIPTION	SUBFIELD	
National Certificate	Business, Commerce and Management Studies	Finance, Economics and Accounting	
ABET BAND	MINIMUM CREDITS	NQF LEVEL	QUALIFICATION CLASS
Undefined	120	Level 5	Regular-Unit Stds Based

The purpose of the National Certificate: Short Term Insurance: Level 5 is to build the knowledge and skills required by senior employees in Short Term Insurance who have achieved the Qualification requirements for the Fit and Proper Determination for Short Term Insurance and are ready to study at Level 5. It is intended to empower learners to acquire knowledge, skills, attitudes and values required to operate ethically and responsibly in the highly regulated Financial Services environment and to respond to the challenges posed by the changing nature of the Financial Services Industry. It should add value to the qualifying learner in terms of enrichment of the person, status, and recognition both in South Africa and Internationally.

As a Qualification in Short Term Insurance, it provides a framework for learners to develop competencies related to Short Term Insurance (which includes Personal, Commercial and Corporate lines), with a specific focus on very large and complex Corporate and Commercial accounts. It provides a balanced learning experience and an opportunity for learners to apply academic skills in relation to the workplace. The Qualification is structured in such a way that it exposes learners to generic competencies required in the Financial Services Sector at Level 5 and allows for specialisation in aspects of risk transfer and risk financing to meet specific high risk needs.

Rationale:

The National Certificate: Short Term Insurance: NQF Level 5 is a specialist Qualification that requires the application of technical knowledge of Risk Management and Short Term insurance to complex Corporate and/or Commercial risks. Learners at this level are required to analyse, interpret, think out of the box and adapt to change within the highly competitive and regulated insurance market.

The Qualification is intended for people in senior positions and management roles in the Short Term Insurance Industry (Personal, Commercial and Corporate lines) including, but not limited to, Intermediaries Senior/experienced Underwriters, Senior/experienced Claims Administrators, Loss Adjusters, Auditors who specialise in Short Term insurance and Compliance Practitioners.

The learning pathway for learners in Insurance and Investment

NQF Level 8:

> Post graduate qualifications offered at Higher Education Institutions

NQF Level 7:

> Degrees, Higher Certificates and Diplomas offered at Higher Education Institutions

NQF Level 6:

> Unit Standards developed as Fundamentals for L6 Insurance and Investment Qualifications

NQF Level 5:

- > National Certificate: Wealth Management
- > National Certificate: Long-Term Risk Assessment
- > National Diploma: Long-Term Risk Assessment
- > National Diploma: Short Term Insurance

NQF Level 4:

- > FETC: Wealth Management
- > FETC: Long-Term Insurance
- > FETC: Long-Term Risk Assessment
- > FETC: Short Term Insurance
- > FETC: Risk Management
- > FETC: Retail Insurance
- > FETC: Medical Claims Assessing
- > National Certificate: Wealth Management: Level 4
- > National Certificate: Long-Term Insurance: Level 4
- > National Certificate: Long-Term Risk Assessment: Level 4
- > National Certificate: Healthcare Benefits Administration: Medical Claims Assessing: Level 4
- > National Certificate: Short Term Insurance: Level 4
- > National Certificate: Risk Management: Level 4
- > National Certificate: Collective Investments: Level 4
- > National Certificate: Financial Services Management: Level 4

NQF Level 3:

Generic Industry Qualifications:

- > National Certificate: Financial Services: Level 3 (2004) -which has replaced:
 - > National Certificate: Insurance (2001)
 - > National Certificate: Collective Investments: Level 4 for administrators in Collective Investment Scheme Managers
- > National Certificate: Financial Services Management: Level 3

NQF Level 2:

Generic Industry Qualifications:

- > National Certificate: Financial Services (2004) which has replaced:
 - > National Certificate: Insurance Administration (2000)
- > The National Certificate: Short Term Insurance: NQF Level 5 is intended for learners who:
 - > Have achieved a Level 4 Qualification in Short Term Insurance or Risk Management and/or meet the requirements for licensing as indicated in the current Determination of Fit and Proper Requirements for Financial Services Providers of the Financial Services Board under the Financial Advisory and Intermediary Services Act (FAIS) (Act 37 of 2002) and who wish to continue on a career path of lifelong learning in the Short Term Insurance Industry.
 - > Have achieved a B. Comm. or other relevant Degree and require a post graduate qualification with a specialisation in Short Term Insurance.
 - > Seek admission as associate members of the Institute of Loss Adjustors.

RECOGNIZE PREVIOUS LEARNING?

Y

LEARNING ASSUMED TO BE IN PLACE

Learners should be competent in Communication and Mathematical Literacy at NQF Level 4.

Recognition of Prior Learning:

- > Provision has been made for prior learning to be recognised if a learner is able to demonstrate competence in the knowledge, skills, values and attitudes implicit in this Qualification. Application for Recognition of Prior Learning (RPL) should be made to a relevant accredited ETQA.

- > Credit towards a Unit Standard is subject to quality assurance by a relevant accredited ETQA and is conducted by a workplace assessor.
- > This Qualification can be obtained in part or in whole through Recognition of Prior Learning.
- > RPL will be done using a range of assessment tools and techniques that have been jointly decided upon by the learner and the assessor.
- > The same principles that apply to assessment of the Qualification and its associated Unit Standards apply to RPL.

Access to the qualification:

Learners should have at least a Level 4 Qualification and should meet the requirements for licensing as indicated in the current Determination of Fit and Proper Requirements for Financial Services Providers of the Financial Services Board under the Financial Advisory and Intermediary Services Act (FAIS) (Act 37 of 2002). It is preferable that learners should first complete the FETC: Risk Management or the National Certificate: Risk Management: Level 4 before accessing this Qualification.

QUALIFICATION RULES

Level, credits and learning components assigned to the qualification:

A minimum of 120 credits are required to complete the Qualification which is made up of the following components:

- > Fundamental: 30 credits
- > Core: 45 credits
- > Electives: 45 credits

Total: 120 credits

Motivation for the number of credits assigned to the Fundamental, Core and Elective Components:

Fundamental Component

There are thirty credits at Level 5 allocated as fundamental. These include communication and research skills, economics and industry knowledge that are generic across all sub-sectors of the financial services sector in general, and insurance and investment in particular, and one Unit Standard on technical market data that is Fundamental to Short Term Insurance. All the Unit Standards designated as Fundamental are compulsory.

Core Component

Forty five credits have been allocated to Unit Standards designated as Core for the purpose of this Qualification. These Unit Standards provide the financial services related insurance and risk management knowledge and skills needed in the transfer of risk and risk financing including issues of ethics and compliance. They provide an opportunity to develop industry knowledge through research and the application of study skills and ensure that the Qualification has a definite Short Term Insurance focus. All the Unit Standards indicated as Core are compulsory.

Elective Component

Electives that add up to at least forty-five credits should be selected from the allocated list of Electives. The Electives provide opportunities for the holistic development of the learner and multi-skilling. There is a wide range of Unit Standards that may be selected as Electives in this qualification. This reflects the variety and nature of the work roles in Short Term Insurance, provides for maximum flexibility and allows learners to achieve a qualification that is relevant to the work that they do. Electives selected may relate directly to the learner's work role in an organisation or may be skills to enhance employability.

Application of knowledge of legislation has been included in the Unit Standards wherever it is relevant so that knowledge about legislation is integrated rather than taught in isolation.

EXIT LEVEL OUTCOMES

Learners who engage in Short Term Insurance at this Level require knowledge and understanding of the key terms, concepts, facts, principles, rules, theories, and practices of the main areas of Short Term Insurance, which include Risk Management and Risk Transfer, and an ability to select and apply standard methods, procedures, and/or techniques in the context of Short Term Insurance. They are required to use their knowledge to evaluate and solve defined, routine and new problems within a familiar context, and to

apply solutions based on relevant evidence and procedures in accordance with prescribed organisational and professional ethical codes of conduct, values and practices.

They are required to gather, analyse, interpret, evaluate and synthesise information from a range of sources, to select information appropriate to the task or situation and to communicate information reliably, accurately and coherently, in writing and verbally with due regard for conventions around intellectual property, copyright and plagiarism.

Learners should have the capacity to take responsibility for their own learning and to promote the learning of others. They should be able to assess their own performance and that of others and have the ability to take appropriate action where necessary. They should be able to operate in a range of familiar and new contexts and should demonstrate an understanding of the interrelationships between the different legislative, socio-political, economic and physical environments and how actions or events in one area impact on other areas within the financial services system.

The Exit Level Outcomes and their Associated Assessment Criteria are the following, which means that the learner will be capable of:

1. Gathering, analysing, synthesising and evaluating information, manipulating and interpreting data and identifying trends, communicating information coherently in writing and verbally, and showing insight into current affairs in the Financial Services sector in general and to Short Term insurance in particular.
2. Apply knowledge of insurance. The principles of risk financing and the risk management process to address a business risk.
3. Applying knowledge of legislation, ethics, and compliance in the context of the Short Term insurance sub-sector in South Africa.

Exit Level Outcomes for the Critical Cross-Field Outcomes:

The learner is able to demonstrate ability to:

- > Identify and solve well-defined problems of a routine, non-routine and unfamiliar nature within the context of Short Term Insurance and risk financing in which responses show that responsible decisions have been made, adjust common solutions to meet changes in the problem and motivate the changes within own limit of authority.
- > Work effectively with others as a member of a team, group, organisation or community in that many of the Unit Standards in the Qualification require interaction with clients.
- > Organise and manage him/herself and his/her activities responsibly and effectively in that it is expected that the learner will be responsible for his/her own learning and for organising his/her own work allocated tasks responsibly in the work environment. She/he is required to complete research assignments timeously and to demonstrate insight into different aspects of Risk Transfer and Risk Management.
- > Collect, organise and critically evaluate information. These competencies are built into the Assessment Criteria in many of the Unit Standards and the learner is required to do research projects and analyse information from the media and industry sources.
- > Communicate effectively using visual, mathematics and language skills in the modes of oral and/or written presentations. These competencies are an integral part of all the Unit Standards and are built into the Assessment Criteria.
- > Use science and technology effectively and critically in that the Financial Services environment is technology driven and very few activities take place without the application of technology.
- > Demonstrate an understanding of the world as a set of related systems by recognising that problem-solving contexts do not exist in isolation in demonstrating insight into current affairs in the sector and understanding the consequences of a large claim for the client and the insurer/reinsurer.

In addition this Qualification contributes to the full personal development of each learner and the social and economic development of the society at large, by making it the underlying intention of any programme of learning to make the individual aware of the importance of:

- > Reflecting on and exploring a variety of strategies to learn more effectively in order to become an informed worker in the industry.
- > Being culturally and aesthetically sensitive across a range of social contexts in dealing with diverse people in the workplace including clients and co-workers.

ASSOCIATED ASSESSMENT CRITERIA

1.

- > Current events and developments that could impact on the Financial Services Sector in general, and on Short Term Insurance in particular, are analysed and discussed and an informed personal opinion is expressed and substantiated in the discussion indicating ability to anticipate or predict future trends and the potential impact on the industry.
- > Knowledge learnt in various Unit Standards and current events as they occur are integrated with an informed understanding of the Short Term Insurance environment so that knowledge of the industry is applied in authentic situations.
- > Information is gathered, analysed, interpreted, summarised and evaluated from a range of sources and presented coherently, reliably and accurately both verbally and in writing using technological skills.
- > Evidence is evaluated and used to substantiate an argument and to interpret trends in the macro and micro environments that impact on Short Term insurance.
- > Financial and other technical market data are manipulated and interpreted to identify trends.
- > The Short Term Insurance operating environment is explained as a system within the Financial Services Sector and an indication is given of current issues and changes in the sector.

2.

- > Essential methods, procedures and techniques of the Financial Services industry are applied within the legislated environment in order to make a financial recommendation.
- > Knowledge of Short Term insurance is applied in authentic situations to make a decision relating to a claim circumstance.
- > Procedures to manage, reduce or eliminate risk are recommended at a strategic level for a Short Term insurer.

3.

- > Methods, procedures and techniques of Short Term Insurance are applied with reference to specific company policy, legislative requirements and competitive industry practices.
- > Decisions are substantiated based on available information with due regard for compliance and within own authority limits, license or mandate, relevant service agreements and an organisation's customer service policy.
- > The concept of ethics is explained with reference to an organisation's code of conduct, and an individual's personal and property rights.

Integrated Assessment:

Assessment practices must be fair, transparent, valid and reliable and should ensure that no learner is disadvantaged. Learners who wish to be assessed against the competencies in the Qualification and/or associated Unit Standards should direct enquiries to the relevant ETQA.

The focus of assessment must be on the assessment of the learning outcomes rather than learning outputs. The Specific Outcomes guide the learning and training process towards the outcomes on a continuous basis. The purpose is to determine whether the outcomes have been attained. Situations should present a wide range of options. Applications should require significant choices from a wide range of procedures and in a number of contexts.

Learning, teaching and assessment are inextricably linked. Where appropriate, assessment of knowledge, skills, attitudes and values indicated in the various Unit Standards should be integrated.

Assessment has a formative monitoring function. Formative assessment should be used to assess gaps in the learners' skill and knowledge and to indicate where there is a need for expanded opportunities. The goal is to promote learning and to assess the efficacy of the teaching and learning process. Feedback from assessment informs teaching and learning and allows for the critique of outcomes, methodology and materials. Formative assessment is diagnostic and as such it should guide the learner and the trainer. It is continuous and is used to plan appropriate learning experiences to meet the learner's needs. It provides information about problems experienced at different stages in the learning process. As it is criterion referenced, if the learner has met the assessment criteria, he/she has achieved the outcomes.

Assessment should also have a summative component. Summative assessment may be used on completion of a Unit Standard, but should not be the only form of assessment.

Assessment should take place in an authentic context as far as is possible. A variety of methods must be used in assessment and tools and activities must be appropriate to the context in which the learner is working. Where it is not possible to assess competence in the workplace, simulations, case studies and other similar techniques should be used to provide a context appropriate to the assessment.

Integration implies that theoretical and practical components should, where possible, be assessed together. Integrative techniques should be used to assess applied competence. Learners should be required to

demonstrate that they can perform the **outcomes** with understanding and insight.

Assessment should ensure that all Specific Outcomes, embedded knowledge and Critical Cross-Field Outcomes are evaluated. Assessment of the Critical Cross-Field Outcomes should be integrated with the assessment of the Specific Outcomes. The Critical Cross-Field Outcomes are implicit in some Unit Standards and programmes should be designed to extend and further reflect the integration.

Before The National Certificate: Short Term Insurance: Level 5 is awarded, learners are required to demonstrate competence in the required Unit Standards and complete a summative assessment based on the exit outcomes of the Qualification.

INTERNATIONAL COMPARABILITY

Sites researched:

UK

> Financial Services Skills Council * UK: The Financial Services Skills Council is licensed by the UK government to work in partnership with employers to provide strategic and responsible leadership for training, education and development for the financial services industry in the UK. <http://www.fsnto.org.uk>

> Chartered Insurance Institute * UK The Chartered Insurance Institute is dedicated to promoting higher standards of competence and integrity through the provision of relevant qualifications for employees working at all levels in the insurance and financial services industry and across all sectors of the industry in the United Kingdom. With 90 000 members, the Chartered Insurance Institute is the world's largest professional body dedicated to the insurance, savings and financial services sector. Its broad portfolio of education and qualification services is continually expanding to meet the changing requirements of companies and individuals across the financial services community. <http://www.cii.co.uk>

Australia

The National Training Information Service (Australia): The Australian Government's National Training Information Service web site provides information on the qualifications, qualification structures and the Unit Standards registered on the Australian Qualifications Framework (AQF). <http://www.ntis.gov.au>

Africa

There are currently no insurance and investment/financial services Qualifications or Unit Standards available in an African Union (AU) or SADC country to use for comparison. The following websites were investigated:

> Botswana Training Authority (BOTA) <http://www.bota.org.bw>

> The Namibia Training Authority (NTA) http://www.nta.com.na/index.php?option=com_frontpage&Itemid=1

Background and rationale for the choice of countries for comparison:

South Africa has a highly regulated and sophisticated financial services sector. In comparing this Qualification to those of other countries it is necessary to select countries where the financial services sector is comparable to that of South Africa. It is not possible to use an African country for the comparison, but research has shown that students from the African Continent use the Insurance Institute of South Africa or British Based institutions for accreditation through distance learning. The United Kingdom was therefore an obvious choice for the comparison. Australia has been used for comparison of previous insurance and investment Qualifications and was therefore a logical choice for consistency.

Comparison: United Kingdom

The Chartered Insurance Institute Qualifications are designed to underpin job-specific and at-work training.

Chartered Insurance Institute's Diploma in Insurance is a technical and supervisory qualification for insurance staff working across all sectors of the industry. It provides a firm grounding in insurance fundamentals and enables students to build towards advanced technical knowledge, thereby ensuring they have the means to function effectively in a challenging environment. The Diploma covers the full range of insurance topics, ranging from the fundamentals of insurance practice and legislation through to personal lines product families, life insurance classes of commercial insurance and specialisations such as aviation, marine and the North American market. The Diploma also provides life administrators with a dedicated study path, developing a broad understanding of key technical aspects of the sector. The Diploma is

modular in structure, with candidates able to select units of study according to their preference and career requirements.

Each unit has a credit value and the accumulation of the stipulated number of credits leads to the award of the Diploma and entitles the holder to apply to use the designation 'Dip CII®' (Chartered Insurance Institute membership and Continuing Professional Development requirements apply). Successful candidates also satisfy the entry requirements of the next qualification in the framework of Chartered Insurance Institute qualifications, the Advanced Diploma in Insurance.

To achieve the Diploma students must accumulate 110 credits. At least 70 of these must be obtained by passing units at either Diploma or Advanced Diploma level, with a minimum of 30 credits coming from an Advanced Diploma unit. Candidates must pass the following compulsory units:

- > Insurance Practice and Regulations or *Insurance Legal and *Regulatory and General Insurance Business (*Certificate in Insurance Units)
- > Business practice or *Business and Economics (*Advanced Diploma in Insurance Unit)
- > Insurance Law

Aside from the compulsory requirements students are free to select units from across all the Chartered Insurance Institute's insurance qualifications; Award in Insurance, Certificate in Insurance, Diploma in Insurance and Advanced Diploma in Insurance. Students are required to select one unit from the Advanced Diploma without meeting the Advanced Diploma entry requirements. Should they wish to select more than one unit from the Advanced Diploma they must first meet the entry requirements. This approach has been adopted to provide students with maximum flexibility, enabling them to choose different units from the 46 currently available across the Chartered Insurance Institute's qualifications.

The units of study selected for comparison are:

Diploma Level:

- > (POI) Insurance practice and regulation - Compulsory unit
- > (P04) Business practice - Compulsory unit
- > (P05) Insurance law - Compulsory unit
- > (510) Risk, regulation and capital adequacy

Chartered Insurance Institute (POI) Insurance practice and regulation - Compulsory unit:

Objectives: To develop in the candidate:

- > A knowledge and understanding of market principles and practice.
- > A knowledge and understanding of the main classes of business and the cover provided under each.
- > A knowledge and understanding of the regulation of the insurance market.
- > A knowledge and understanding of procedures used to underwrite insurance.
- > A knowledge and understanding of the operation of general claims procedures.
- > The ability to apply knowledge and skills to simple situations.

The Chartered Insurance Institute syllabus for Insurance practice and regulation - covers the following units of study:

Insurance coverage:

- > Identify the main classes of insurance.
- > Outline the scope of cover provided by each, including: single policies; package policies; schemes.
- > Outline the reasons for compulsory insurance.
- > Describe the main provisions of compulsory insurance.
- > Outline the use of policy extras, including: emergency services; legal services; help lines.
- > Describe the main provisions of compulsory insurance.
- > Outline the function and operation of insurance related services, including:
 - > Risk management consultants.
 - > Claims management consultants.
 - > Credit rating specialists.
 - > Recovery services.

Many of the core Unit Standards in the South African National Certificate: Short Term Insurance: Level 5 have similar competencies embedded in the outcomes, but there are no Unit Standards that relate specifically to the Chartered Insurance Institute Module. The Chartered Institute outcomes are however

covered in the Level 4 Short Term Insurance and Risk Management Qualifications and are therefore assumed knowledge in the National Certificate: Short Term Insurance: Level 5. The Level 4 South African Qualifications are:

- > FETC: Short Term Insurance.
- > FETC; Risk Management.
- > National Certificate Short Term Insurance: Level 4.
- > National Certificate Risk Management: Level 4.

The general structure of the insurance market.

Objectives:

- > Describe the structure of the insurance market.
- > Identify the different categories of insurance intermediary.
- > Explain the distinctions between the various categories.
- > Distinguish between the different types of insurer.
- > Explain the different distribution channels available.
- > Explain the basis on which the different channels operate.
- > Explain the advantages and disadvantages of the different channels to both insurers and customers.
- > Outline the structure and operation of Lloyd's.
- > Explain the role of the various organisations that represent sections of the insurance market.

Many of these outcomes are covered in the Level 4 Short Term Insurance Qualifications and are therefore assumed knowledge in the National Certificate: Short Term Insurance: Level 5. The core Unit Standards in the South African National Certificate: Short Term Insurance: Level 5 have similar competencies embedded in the outcomes, but only the Unit Standard, Manage the relationship between intermediaries and the market in commercial or corporate insurance, relates directly to this Chartered Insurance Institute Module.

Arranging insurance

Objectives:

- > Explain how customers search for cover, products, availability and price.
- > Describe the purpose, use, structure and content of proposal forms/statement of facts.
- > Explain the effect of a breach of the above.
- > Explain the remedies available for a breach of the above.
- > Explain the main defenses in tort.
- > Discuss the impact of contributory negligence.
- > Describe the limitation of actions in tort.
- > Explain the relevant periods applicable to contract and tort.
- > Describe the main remedies in tort.
- > Explain the classification of damages and recoverable damages.
- > Explain the nature of contractual liability.
- > Explain how contracts are classified.
- > Identify the rules governing the formation of a contract.
- > Describe how contract terms are classified.
- > Describe the elements which affect the validity of contracts.
- > Explain the circumstances in which a contract may be discharged.
- > Describe the remedies for breach of contract.
- > Explain the doctrine of privity of contract.
- > State the basic principles of assignment of contractual rights and duties.

The core Unit Standards in the South African National Certificate: Short Term Insurance: Level 5 have similar competencies embedded in the outcomes, but there are no specific Unit Standards relating to this Chartered Insurance Institute Module. Many of these outcomes are however covered in the Level 4 Short Term insurance Qualifications and are therefore assumed knowledge in the National Certificate: Short Term Insurance: Level 5.

Underwriting insurance

Objectives:

- > Explain the components and operation of the common pool.
- > Distinguish between physical and moral hazard.
- > Outline the main characteristics of each.

- > Describe the role of the underwriting process in the transaction of insurance.
- > Outline the basic principles of underwriting used within the main classes of insurance.
- > Outline the purpose, content and use of risk surveys.
- > Apply the theoretical and practical factors used in the calculation of rates of premium.
- > Outline the purpose and collection of insurance premium tax.
- > State the current rates of Insurance Premium Tax.

The following South African Unit Standards have various synergies in terms of managing risk through underwriting processes:

- > Underwrite a high risk in Short Term commercial and industrial insurance.
- > Apply technical knowledge and skill to underwrite risk in Short Term corporate insurance.
- > Negotiate a proposal with a Short Term insurer.
- > Underwrite a high risk, high value risk in cross border transportation - it is not clear if and how the Chartered Insurance Institute modules prepare the student for similar outcomes although a European context is implied across the various modules.
- > Apply a researched trend to individual financial risk.
- > Demonstrate knowledge and understanding of the financial consequences of a large claim to an insurer or reinsurer.
- > Demonstrate knowledge and understanding of the fundamental principles of risk finance in order to propose an insurance solution.
- > Demonstrate knowledge and understanding of the financial consequences of a large claim to a client.
- > Apply knowledge and insight of insurance to complex commercial and corporate enterprises.
- > Apply knowledge of the Income Tax Act to Short Term insurance options.
- > Negotiate a proposal with a Short Term insurer.
- > Apply technical knowledge and insight to customise a Short Term insurance policy/product for a specialised entity or market.
- > Research the incidence, quantity and severity of an occurrence in order to uncover a trend and anticipate a financial risk.

Risk sharing and spreading

Objectives:

- > Outline the main reasons for risk sharing by means of co-insurance.
- > Describe the main procedures for co-insuring risk.
- > Explain the concept of reinsurance.
- > Distinguish between facultative and treaty reinsurance.
- > Describe the main procedures for arranging reinsurance.

The following South African Unit Standards have similarities with the Chartered Institute Modules:

- > Demonstrate knowledge and insight into reinsurance in the context of risk finance.
- > Demonstrate knowledge and understanding of the fundamental principles of risk finance in order to propose an insurance solution with regards to understanding of Risk sharing and spreading and pooling the risk.
- > Demonstrate knowledge and understanding of the financial consequences of a large claim to an insurer or reinsurer with regard to understanding of Risk Spreading and reinsurance.
- > Research information in order to assist in conducting a financial risk assessment.
- > Demonstrate knowledge and understanding of the principles and practices of reinsurance.
- > Demonstrate knowledge and insight into regulations and legal requirements that impact on insurance or reinsurance in the international arena.
- > Apply knowledge and Understanding of captives as a method of alternative risk transfer.
- > Design a funding model to make provision for financial consequences of losses in an entity.

Features of claims procedures

Objectives:

- > Explain the policy requirements in respect of claim notification.
- > Describe the procedures commonly used for the notification of claims.
- > Describe the procedures commonly used by insurers in the settlement of claims.
- > Describe the role of loss adjusters and other professionals used within the claims process.
- > Outline the various ways in which claims may be settled.
- > Describe the use of repairers and other specialist services in the settling of claims.
- > Describe the limits to the amount to be paid as a claims settlement.

- > Perform a calculation to determine the amount of a claim settlement.
- > Explain how insurers seek to detect and reduce fraudulent claims.
- > Explain how and why arbitration is used in claims disputes.
- > State the characteristics of voluntary arbitration schemes.
- > State the role and purpose of alternative dispute resolution.

Two South African Unit Standards deal directly with competencies relating to fraud handling:

- > Describe the investigation of fraud in Short Term insurance.
- > Demonstrate knowledge and insight into fraudulent activities that impact on the insurance industry.

Other Unit Standards in the South African National Certificate: Short Term Insurance: Level 5 have similar competencies embedded in the outcomes, but do not relate specifically to the Chartered insurance Institute Module. The Chartered Institute outcomes are however covered in the Level 4 Short Term insurance qualifications and are therefore assumed knowledge in the National Certificate: Short Term Insurance: Level 5.

Legal and regulatory considerations

- > State why statutory supervision is required.
- > Explain how the FSA obtained its regulatory powers.
- > Outline the role of the FSA in the regulation of insurance.
- > Describe the main provisions of current regulation for the control of insurers, including the financial services and markets act 2000 and the FSA insurance conduct of business rules.
- > Describe and apply the main provisions of current regulation for the control of intermediaries.
- > Outline the main provisions of the act.
- > Apply the main provisions of the Act to the transacting of insurance business.
- > Explain the practicalities of complying with the act whilst conducting insurance business.
- > Outline the main provisions of the current regulations.
- > Apply the main provisions of the current money laundering regulations to the transacting of insurance business.
- > Explain the requirement for and factors affecting the regulations for assessing the solvency of insurers.
- > Outline the calculation of solvency ratios.
- > Explain how the FSA monitors insurers' solvency.

Application of knowledge of legislation has been included in the Unit Standards in the National Certificate: Short Term Insurance: Level 5 wherever relevant so that knowledge about legislation is integrated rather than taught in isolation. Outcomes similar to those of the Chartered Institute outcomes are covered in the Level 4 Short Term insurance qualifications and are therefore assumed knowledge in the National Certificate: Short Term Insurance: Level 5. In South Africa Level 4 is required for Short Term intermediaries for licensing by the Financial Services Board (FSB) in terms of the Financial Advisory and Intermediary Services Act (FAIS).

Ethical Standards

Objectives:

- > Describe the impact of ethical standards on the transacting of insurance business.
- > Outline the main purpose and methods of internal complaint handling.
- > Explain the FSA (financial services advise) requirements in relation to complaint handling.
- > Describe the role of the financial ombudsman service.

Legislated ethical standards are dealt with at Level 4 in the South African Qualifications. The following South African standards have synergies with regards to outcomes of ethics, regulatory issues and business practices.

- > Demonstrate knowledge and application of ethical conduct in a business environment.
- > Demonstrate knowledge and understanding of the responsibilities of directors in terms of corporate governance.
- > Determine the needs and wants of an entity in order to propose an appropriate financial solution.

(P04) Business practice- Compulsory unit: (based on UK and EU law and practice).

Objectives: To develop in the candidate:

- > A knowledge and understanding of the objectives of business organizations.

governance.

The Chartered Insurance Institute module refers to European Community law and its affect on national systems there is no indication of a learner having to understand and apply international law as is the case with the South African standards: Demonstrate knowledge and insight into regulations and legal requirements that impact on insurance or reinsurance in the international arena and Demonstrate knowledge and understanding of the influence of international conventions on transportation insurance.

The Chartered Insurance Institute module includes broader outcomes including the nature and sources of

law, the courts and laws of precedent, understanding of the legal system, elements of civil procedure, Identifying the status and capacity of legal persons and corporations, Explaining tort, the law of contract, and range of competencies against the insurance contract. Many of these competencies are covered in the South African level 4 insurance and investment qualifications.

(510) Risk, regulation and capital adequacy.

Objectives: To develop in the candidate:

- > A knowledge and appreciation of the nature of risk and risk management.
- > A knowledge and understanding of the capital adequacy requirements for insurers and reinsurers.
- > A knowledge and understanding of the impact of regulation on the insurance industry.
- > A knowledge and understanding of basic statistical concepts relating to the insurance.
- > Environment and the estimation of risk.
- > The ability to apply knowledge and skills to practical situations.
- > The ability to synthesise different aspects of the syllabus and apply them to given scenarios.

The outcomes relating to risk, risk pricing and capital adequacy are included in the following South African Unit Standards:

- > Demonstrate knowledge and understanding of the fundamental principles of risk finance in order to propose an insurance solution.
- > Apply the risk management process to investigate alternatives for risk transfer.
- > Apply technical knowledge to explain business risk and possible strategies to finance risk.
- > Demonstrate knowledge and understanding of the financial consequences of a large claim to a client.
- > Demonstrate knowledge and understanding of the financial consequences of a large claim to an insurer or reinsurer.
- > Research information in order to assist in conducting a financial risk assessment.
- > Apply knowledge of technical accounting practices used in Short Term insurance and reinsurance.

Conclusion Chartered Insurance Institute and South African standards:

The main differences between the South African and Chartered Insurance Institute qualifications relate to structure and electives. However it is apparent that learners exiting both qualifications will have very similar core competencies relating to an understanding and application of Short Term insurance principles. It appears that the National Certificate: Short Term Insurance: Level 5 requires more in depth knowledge of Short Term insurance and South African learners are required to operate at a higher level of cognitive complexity while many objectives in the Chartered Institute Qualification are tasks or steps in a process.

Comparison: Australia

The National Training Packages are integrated sets of nationally endorsed competency standards, assessment guidelines and Australian Qualifications Authority (AQF) qualifications for a specific industry, industry sector or enterprise. The recently registered Diploma in Financial Services (General Insurance) was the most appropriate for the comparison.

This qualification is designed to reflect the role of employees working in insurance who perform duties such as:

- > Leading a claims team.
- > Leading an underwriting team.
- > Handling complex/non-routine claims.
- > Underwriting complex risk.
- > Initiating and responding to legal action in relation to claims.
- > Surveying risk exposure.
- > Implementing claims recovery.
- > Reviewing portfolio performance.

To attain the Diploma in Financial Services (General Insurance) 8 elective units must be achieved: 4 core units and 4 elective units. The elective units may be selected as follows:

- > The 4 elective units may be selected from the list given for the core units or from other parts of this Training Package at the Diploma level.
- > Up to 4 units appropriate for Diploma level (AQF level V) may be selected from other endorsed packages.
- > Of the 4 units chosen, 2 must be at the diploma level (AQF level V) and up to 2 units may be at Certificate IV (AQF level IV) or Advanced Diploma (AQF level VI).

> The choice of electives should be appropriate to the level and integrity of the qualification and to the workplace outcomes it is designed to meet. Elective units are not included for comparison as they could be any units registered on the Australian Qualifications Authority provided they suit the purpose of the qualification.

Comparison of the industry Australian core units with the FETC: Short Term Insurance, Level 5

To gain a Certificate IV in Financial Services 4 core units must be achieved.

FNBGEN06A Survey potential risk exposure:

The unit describes the skills used in surveying risk exposure including examination of risk, analysis of data, reporting and making recommendations specifying loss control measures. Underpinning skills to be demonstrated may include:

- > Policy interpretation and application.
- > Hazard identification and assessment.
- > Application of technically acquired skills.
- > Price application.
- > Risk assessment.
- > Report writing.
- > Negotiation.
- > Organisation.
- > Data analysis and interpretation techniques.
- > Interpersonal Skills.
- > Basic computer literacy.

This unit requires high levels of literacy and numeracy. It requires the ability to read and interpret policy documents, legislation and regulations, reports and related documents. It requires the ability to interpret charts, graphs and statistical information and calculate/estimate premiums and claims.

The following South African Unit Standards have various synergies in terms of managing risk through the underwriting processes (referred to as risk assessment in the critical evidence required of the Australian Qualifications Authority standard):

- > Underwrite a high risk in Short Term commercial and industrial insurance.
- > Apply technical knowledge and skill to underwrite risk in Short Term corporate insurance.
- > Negotiate a proposal with a Short Term insurer.
- > Underwrite a high risk, high value risk in cross border transportation.
- > Apply a researched trend to individual financial risk.
- > Demonstrate knowledge and understanding of the financial consequences of a large claim to an insurer or reinsurer.
- > Demonstrate knowledge and understanding of the fundamental principles of risk finance in order to propose an insurance solution.
- > Demonstrate knowledge and understanding of the financial consequences of a large claim to a client.
- > Apply knowledge and insight of insurance to complex commercial and corporate enterprises.
- > Apply knowledge of the Income Tax Act to Short Term insurance options.
- > Negotiate a proposal with a Short Term insurer.
- > Apply technical knowledge and insight to customise a Short Term insurance policy/product for a specialised entity or market.
- > Research the incidence, quantity and severity of an occurrence in order to uncover a trend and anticipate a financial risk.

FNBGEN17A Implement claim recovery procedures:

This unit covers the competencies needed to recover money relating to a claim. It includes the complete process from initiating the recovery to finalisation of the claim. Demonstration of ability to identify and assess data relating to losses, analyse it and use the analysis as a basis for development of effective strategies are critical to the judgement of competence in this unit.

Outcomes include:

- > Establish viability of recovery.
- > Evaluate recovery methods.
- > Implement and monitor recovery progress.
- > Negotiate recovery settlement.

- > Process monies.
- > Record outcome.

These outcomes are mainly administrative processes and steps in a process included in the FETC: Risk Management and FETC: Short Term Insurance. The Unit Standard, Underwrite a high risk, high value risk in cross border transportation has reference to salvage of transportation/marine insurance recovery.

FNBGEN18A Undertake post loss risk management:

This unit describes the high level competencies needed to review the effect of losses on the portfolio, identify problems and develop remedial risk management strategies. Learners are required to demonstrate ability to identify and assess data relating to losses, analyse it and use the analysis as a basis for development of effective strategies.

The following South African Unit Standards all have various synergies relating to understanding and applying risk management strategies to prevent losses.

- > Demonstrate knowledge and understanding of the financial consequences of a large claim to an insurer or reinsurer.
- > Demonstrate knowledge and understanding of the fundamental principles of risk finance in order to propose an insurance solution.
- > Research information in order to assist in conducting a financial risk assessment.
- > Analyse and interpret qualitative and quantitative data from relevant reports in order to make a recommendation or inform a decision for an entity.
- > Identify and analyse risk information that could impact on underwriting and pricing in the Short Term insurance industry.

FNBGEN19A Review claims settlement policies and procedures:

This unit describes the skills needed to review claims settlement policies and procedures including preparing reports on claims and monitoring trends in claims settlement and making changes to minimise losses. The ability to collect and interpret data from a wide range of sources and analyse the causes of trends and the effects on claims settlement policies and procedures are critical to the judgement of competence in this unit.

The following South African standard have similar outcomes to the Australian Qualifications Authority standard, viz. communicate information to decision-makers in the management structure and make changes to policy and procedures and to minimise claims losses in similar circumstances.

- > Review a claims department to determine whether a business is protected by an organisation's business practices.
- > Apply a researched trend to refine non-medical risk assessments in terms of occupation and avocation.
- > Demonstrate knowledge and understanding of the financial consequences of a large claim to a client.
- > Adapt and verbally communicate financial information to a range of audiences.
- > Demonstrate knowledge and understanding of the financial consequences of a large claim to an insurer or reinsurer.

FNBGEN20A Review operational performance of portfolio:

The unit describes the competencies needed to conduct an operational review of the portfolio, including identifying problems and determining remedial action. Critical aspects of evidence include understanding of the industry sector and all legal obligations and company policy and procedures, criteria and methodology for conducting a review of portfolio performance and ability to analyse data and propose remedies for problems are critical to the judgement of competence in this unit.

The competencies in the following South African Unit Standards are evident in the Australian Qualification:

- > Present a well-structured argument derived from qualitative and/or quantitative data to generate a competitive advantage.
- > Analyse and interpret qualitative and quantitative data from relevant reports in order to make a recommendation or inform a decision for an entity.
- > Review a claims department to determine whether a business is protected by an organisation's business practices.
- > Apply a researched trend to refine non-medical risk assessments in terms of occupation and avocation.
- > Apply technical knowledge and understanding of the origin and use of technical market data in the insurance industry.

FNBGEN21A Resolve insurance disputes:

This unit describes the competencies involved in resolving disputes lodged by customers who may have a dispute with the insurer or external service provider. The skills will be applied as part of a formal internal dispute resolution (IDR) process. Critical aspects of evidence may include: knowledge of the relevant legislation and company obligations in relation to dispute resolution, including appropriate processes and time frames, ability to resolve disputes successfully in line with legislative requirements and company procedures and processes.

There are no specific Unit Standards in the South African Qualification relating to client disputes, but the learner exiting the qualification will have customer service competencies and the regulatory understanding comparable to the exiting Australian learner through the outcomes of the following Unit Standards:

- > Demonstrate knowledge and insight into how the SA Constitution impacts on the financial services industry.
- > Demonstrate knowledge and understanding of the responsibilities of directors in terms of corporate governance.
- > Adapt and verbally communicate financial information to a range of audiences.
- > Analyse the dynamics of different interactive styles in client relationships.
- > Demonstrate knowledge and insight into the changing nature of the financial services industry and its consumers.
- > Demonstrate knowledge and insight into current affairs in the Financial Services Sector.
- > Apply the principles of ethics to a business environment.
- > Apply insight into the implications of changing financial priorities and attitudes on the value proposition in a financial relationship.
- > Research the influence of culture and diversity on attitudes to creating and managing.

FNBGEN22A Issue contracts of insurance covering non routine situations:

This unit describes the competencies used in undertaking the processes related to a contract of insurance in a non-routine situation. This includes identifying the necessary information, reviewing the request against the company guidelines and procedures and issuing a new policy/contract of insurance in response to requests for quotes, new policies, or interim cover (cover note) in non-routine situations. Compliance with industry Codes of Practice, consistent application of underwriting guidelines and authorities, a thorough approach to detail and dealing with non-routine situations appropriately are critical to the judgement of competence in this unit.

The competencies in the following South African Unit Standards are evident in the Australian Qualification:

- > Underwrite a high risk in Short Term commercial and industrial insurance.
- > Demonstrate knowledge and insight into reinsurance in the context of risk finance.
- > Investigate issues of governance that impact on different role players in a selected sub-sector.
- > Apply technical knowledge and insight to customise a Short Term insurance policy/product for a specialised entity or market.
- > Apply knowledge and insight of insurance to complex commercial and corporate enterprises.

FNBGEN23A Settle non-routine claims:

This unit describes the competencies needed to settle non-routine claims including the identification of non-standard issues, accessing all required information to allow a decision to be made, negotiation, and finalisation of claims. Application of company policy and procedures and compliance with legislation and regulations and industry codes of practice in identifying non-routine aspects of the claim and effecting an acceptable settlement are critical to the judgement of competence in this unit.

There are no claims specific Unit Standards in this Qualification although thorough knowledge of the underwriting informs the assessment of claims. This is a gap in the Qualification that should be filled in the proposed National Diploma: Short Term Insurance: Level 5.

FNBGEN24A Process facultative and treaty reinsurance claims:

This unit describes the functions for processing facultative and treaty reinsurance claims in accordance with the company guidelines and procedure Full compliance with company operating procedures, legislative requirements and industry, Code of Practice, where applicable, compliance with terms and conditions of company reinsurance arrangement. The South African Unit Standard, Demonstrate knowledge and insight into reinsurance in the context of risk finance requires similar knowledge and competence.

The following Australian Qualifications Authority core standards are "imported" standards therefore similarities are inferred from the Unit Standard titles.

BSBFLM507A Manage quality customer service:

It is inferred that there are similarities with the South African Unit Standards:

- > Adapt and verbally communicate financial information to a range of audiences.
- > Analyse the dynamics of different interactive styles in client relationships.

There appear to be no South African equivalents for the Unit Standards:

- > BSBFLM504A Facilitate work teams.
- > BSBFLM506A Manage workplace information systems.

Teamwork and use of technology as Critical Cross-field Outcomes in the South African Qualification and Learners in Short Term Insurance, especially at this level, all make use of computers so it can be assumed that the competencies are dealt with in an integrated manner. Unit standards relating to information systems and team work are included in the Level 3 and 4 insurance qualifications.

Conclusion:

The main difference between the South African, United Kingdom (UK) and Australian qualifications relates to structure and choice of electives. It appears that the Australian Qualifications Authority qualification is more focused on administrative claims and underwriting processes in a Short Term insurer than the Chartered Insurance Institute and National Certificate: Short Term Insurance: Level 5. In general the Australian and South African Qualifications have the most obvious similarities although the South African Qualification allows for a greater choice of electives and appears to be more strategic in nature. However, learners achieving competence in all three qualifications will have general competencies relating to managing risk in Short Term insurance environments with various other areas of specialisation depending upon the electives.

Comparison of the South African Qualification and those of UK and Australia is difficult as the UK and Australian Qualifications are at a similar level on their National Qualifications Frameworks to the National Certificate: Short Term Insurance: Level 5, but learners in South Africa require similar competencies for licensing purposes at Level 4. The National Certificate: Short Term Insurance: Level 5 requires a higher level of cognitive complexity than is required for tasks and processes that may be routine and administrative in nature and would usually be associated with learners at Level 4 in the South African system.

ARTICULATION OPTIONS

This Qualification articulates horizontally with:

- > The National Certificate: Financial Services: Long Term Risk Assessment: Level 5 on the basis of the Fundamentals and Exit Outcome 1, SAQA ID: 49834.
- > The National Diploma: Financial Services: Long-Term Risk Assessment: Level 5 on the basis of the Fundamentals and Exit Outcome 1, SAQA ID: 49860.
- > The National Certificate: Wealth Management: Level 5 on the basis of the Fundamentals and Exit Outcome 1, SAQA ID: 57608.
- > Other Qualifications that include Unit Standards from the Level 5 Financial Services Fundamental set and the Unit Standard, Apply the principles of ethics and professionalism to a business environment.

Vertical articulation is possible with the following Qualifications:

- > As this is a Level 5 Qualification it should provide the learner with access to any Qualification at Level 6, subject to the admission requirements of the provider/Higher Education Institutions.

MODERATION OPTIONS

This Qualification will be internally assessed and externally moderated by a moderator registered by a relevant accredited ETQA or an ETQA that has a Memorandum of Understanding with the relevant accredited ETQA.

- > Moderators, competent at the level of the Qualification, are registered by a relevant accredited ETQA to ensure that the standard across assessors is consistent.

- > Moderators must be registered as assessors with the relevant ETQA.
- > Moderators are required to report to a relevant accredited ETQA.
- > A relevant accredited ETQA will monitor and quality assure moderation and assessment according to guidelines in the Qualification.

CRITERIA FOR THE REGISTRATION OF ASSESSORS

This Qualification will be internally assessed by the provider and moderated by a moderator registered by a relevant accredited ETQA or an ETQA that has a Memorandum of Understanding with the relevant accredited ETQA.

- > Assessors must be registered as assessors with a relevant accredited ETQA.
- > Moderators, competent at the level of the Qualification are registered by a relevant accredited ETQA to ensure that the standard across assessors is consistent.
- > Providers must be accredited as providers with a relevant accredited ETQA.
- > Assessors should be in possession of a relevant insurance Qualification at NQF level 5 or higher.

NOTES

NIA

UNIT STANDARDS

(Note: A blank space after this line means that the qualification is not based on Unit Standards.)

	UNIT STANDARD ID AND TITLE	LEVEL	CREDITS	STATUS
Core	242554 Research information in order to assist in conducting a financial risk assessment	Level 5	7	Recommended
Core	242562 Demonstrate knowledge and understanding of the fundamental principles of risk finance in order to propose an insurance solution	Level 5	5	Recommended
core	242602 Apply the risk management process to investigate alternatives for risk transfer	Level 5	5	Recommended
Core	242608 Apply technical knowledge to explain business risk and possible strategies to finance risk	Level 5	10	Recommended
Core	242615 Demonstrate knowledge and understanding of the financial consequences of a large claim to a client	Level 5	3	Recommended
Core	243168 Demonstrate knowledge and understanding of the financial consequences of a large claim to an insurer or reinsurer	Level 5	5	Draft - Prep for P Comment
Core	230078 Apply the principles of ethics to a business environment	Level 6	10	Recommended
Elective	114206 Analyse the strategic impact of a successful wellness programme	Level 5	5	Registered
Elective	119996 Evaluate the inherent risk to an organisation in a specific market	Level 5	10	Registered
Elective	119997 Demonstrate knowledge and understanding of risk in a Financial Services environment	Level 5	5	Registered
Elective	120010 Apply a researched trend to refine non-medical risk assessments in terms of avocation and occupation	Level 5	10	Registered
Elective	120065 Review a claims department to determine whether a business is protected by an organisation's business practices	Level 5	10	Registered
Elective	230077 Describe the financial life cycle of an individual and how this influences financial decisions	Level 5	8	Recommended
Elective	242559 Analyse and interpret qualitative and quantitative data from relevant reports in order to make a recommendation or inform a decision for an entity	Level 5	5	Recommended
Elective	242566 Research the influence of culture and diversity on attitudes to creating and managing wealth	Level 5	3	Recommended
Elective	242569 Apply insight into the implications of changing financial priorities and attitudes on the value proposition in a financial relationship	Level 5	3	Recommended
Elective	242573 Determine the needs and wants of an entity in order to propose an appropriate financial solution	Level 5	4	Recommended
Elective	242580 Apply scenario planning to explain potential risk in a specified financial services context	Level 5	6	Recommended
Elective	242581 Research the incidence, quantity and severity of an occurrence in order to uncover a trend and anticipate a financial risk	Level 5	7	Recommended
Elective	242583 Design a funding model to make provision for financial consequences of losses in an entity	Level 5	10	Recommended
Elective	242585 Analyse the dynamics of different interactive styles in client relationships	Level 5	3	Recommended
Elective	242588 Examine the assets and liabilities from an organisation's financial statements in order to identify risk financing opportunities	Level 5	3	Recommended
Elective	242598 Demonstrate knowledge and understanding of the responsibilities of directors in terms of corporate governance	Level 5	10	Recommended
Elective	242599 Apply knowledge and understanding of captives as a method of alternative risk transfer	Level 5	5	Recommended

		Level 5	12	Recommended
Elective	243157 Negotiate a proposal with a short term insurer	Level 5	6	Draft - Prep for P Comment
Elective	243158 Apply knowledge and understanding of SASRIA and similar insurances to mega corporate and global accounts	Level 5	4	Draft - Prep for P Comment
Elective	243159 Apply International Financial Reporting Standards (IFRS4) to risk financing and insurance	Level 5	8	Draft - Prep for P Comment
Elective	243160 Manage the relationship between intermediaries and the market in commercial	Level 5	3	Draft - Prep for P
	conventions on transportation insurance			Comment
Elective	243163 Underwrite a high risk, high value risk in cross border transportation	Level 5	10	Draft - Prep for P
Elective	243164 Demonstrate knowledge and insight into reinsurance in the context of risk financing	Level 5	10	Draft - Prep for P Comment
Elective	243165 Apply technical knowledge and insight to customise a Short Term insurance policy/product for a specialised entity or market	Level 5	5	Draft - Prep for P Comment
Elective	243166 Demonstrate knowledge and understanding of the principles and practices of reinsurance	Level 5	6	Draft - Prep for P Comment
Elective	243167 Identify and analyse risk information that could impact on underwriting and pricing in the short term insurance industry	Level 5	3	Draft - Prep for P Comment
Elective	243169 Apply knowledge and insight of insurance to complex commercial and corporate enterprises	Level 5	10	Draft - Prep for P Comment
Elective	243170 Describe the investigation of fraud in short term insurance	Level 5	2	Draft - Prep for P Comment
Elective	243174 Demonstrate knowledge and insight into regulations and legal requirements that impact on insurance or reinsurance in the international arena	Level 5	8	Draft - Prep for P Comment
Elective	243175 Underwrite a high risk in short term commercial and industrial insurance	Level 5	10	Draft - Prep for P Comment
	reinsurance			Comment
Elective	230069 Demonstrate knowledge and insight into the impact of HIV/AIDS on financial products, markets and the workforce	Level 6	6	Recommended
Elective	230076 Demonstrate knowledge and understanding of e-business as a competitive tool	Level 6	8	Recommended
	for financial services in South Africa			
	data to generate a competitive advantage			
Elective	242557 Research theories of behavioural economics and behavioural finance to explain the influence of emotion on financial decisions	Level 6	4	Recommended
Elective	242604 Devise a marketing strategy for a selected target market	Level 6	5	Recommended
Elective	242610 Investigate issues of governance that impact on the different role players in a	Level 6	10	Recommended
Fundamental	120075 Demonstrate insight into current affairs in the Financial Services sector			
Fundamental	230070 Present an informed argument on a current issue in a business sector	Level 5	5	Recommended
Fundamental	230071 Apply basic economic principles to the financial services sector	Level 5	5	Recommended
Fundamental	230075 Demonstrate knowledge and insight into the changing nature of the financial services industry and its consumers	Level 5	6	Recommended
Fundamental	243173 Apply technical knowledge and understanding of the origin and use of technical market data in the insurance industry	Level 5	4	Draft - Prep for P Comment



SOUTH AFRICAN QUALIFICATIONS AUTHORITY

UNIT STANDARD:

1

Negotiate a proposal with a short term insurer

SAQA US ID	UNIT STANDARD TITLE		
243157	Negotiate a proposal with a short term insurer		
SGB NAME		ORGANISING FIELD ID	PROVIDER NAME
SGB Insurance and Investment		3	
UNITS IND.	TYPE	ORGANISING FIELD DESCRIPTION	UNIT STANDARD DESCRIPTION
Regular		Business, Commerce and Management Studies	Finance, Economics and Accounting
ABET BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
Undefined	6	Level 5	Regular

SPECIFIC OUTCOME 1

Conduct a needs analysis for a complex commercial or corporate client.

SPECIFIC OUTCOME 2

Analyse the broad outline of cover available based on a selected policy wording.

SPECIFIC OUTCOME 3

Present the required information on a portfolio to the underwriter

SPECIFIC OUTCOME 4

Negotiate terms and conditions of an insurance contract.



SOUTH AFRICAN QUALIFICATIONS AUTHORITY

UNIT STANDARD:

2

SAQA US ID	UNIT STANDARD TITLE		
243158	Apply knowledge and understanding of SASRIA and similar insurances to mega corporate and global accounts		
SGB NAME	ORGANISING FIELD ID	PROVIDER NAME	
SGB Insurance and Investment	3		
UNIT STANDARD TYPE	ORGANISING FIELD DESCRIPTION	SUBFIELD DESCRIPTION	
Regular	Business, Commerce and Management Studies	Finance, Economics and Accounting	
ABET BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
Undefined			Regular

SPECIFIC OUTCOME 1

Evaluate events to determine whether they are covered or excluded under SASRIA policies.

SPECIFIC OUTCOME 2

Analyse SASRIA coupons to determine major aspects that apply to corporate or global accounts.

SPECIFIC OUTCOME 3

Apply technical knowledge to analyse the underlying policies in a corporate or global portfolio.

SPECIFIC OUTCOME 4

Explain the use of wrap-around cover in conjunction with SASRIA.

SPECIFIC OUTCOME 5

Explain the accounting requirements related to SASRIA.

SPECIFIC OUTCOME 6

Research global initiatives for SASRIA type cover



SOUTH AFRICAN QUALIFICATIONS AUTHORITY

UNIT STANDARD:

3

Apply International Financial Reporting Standards (IFRS4) to risk financing and insurance

SAQA US ID	UNIT STANDARD TITLE		
243159	Apply International Financial Reporting Standards (IFRS4) to risk financing and insurance		
SGB Insurance and Investment		3	
UNIT STANDARD TYPE	ORGANISING FIELD DESCRIPTION	SUBFIELD DESCRIPTION	
Regular	Business, Commerce and Management Studies	Finance, Economics and Accounting	
ABET BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
Undefined	8	Level 5	Regular

SPECIFIC OUTCOME 1

Explain the implications of international accounting standards for risk financing.

SPECIFIC OUTCOME 2

Analyse the overall financial status of an entity.

SPECIFIC OUTCOME 3

Apply (IFRS4) to create and manage a client's portfolio.

SPECIFIC OUTCOME 4

Apply knowledge of tax legislation to comply with international accounting standards in the South African context.



SOUTH AFRICAN QUALIFICATIONS AUTHORITY

UNIT STANDARD:

4

Manage the relationship between intermediaries and the market in commercial or corporate insurance

SAQA US ID	TITLE		
243160	Manage the relationship between intermediaries and the market in commercial or corporate insurance		
SGB NAME	ORGANISING FIELD ID	PROVIDER NAME	
SGB 1	3		
UNIT ID	UNIT TYPE	FIELD DESCRIPTION	SUBFIELD DESCRIPTION
1	1	Marketing and sales	Marketing and sales
BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
1	3	Level 5	1

SPECIFIC OUTCOME 1

Research theories of marketing that apply to the sales function in an insurance organisation.

SPECIFIC OUTCOME 2

Discuss the personal qualities and expertise necessary to manage the relationship between a client and the market.

SPECIFIC OUTCOME 3

Explain how short term insurers manage the relationship with intermediaries and the market.

SPECIFIC OUTCOME 4

Monitor the relationship between the insurer and the market.



SOUTH AFRICAN QUALIFICATIONS AUTHORITY

UNIT STANDARD:

5

SAQA US ID	UNIT STANDARD TITLE		
243161	Demonstrate knowledge and insight into fraudulent activities that impact on the insurance industry		
SGB NAME		ORGANISING FIELD ID	PROVIDER NAME
SGB Insurance and Investment		3	
UNIT STANDARD TYPE		ORGANISING FIELD DESCRIPTION	SUBFIELD DESCRIPTION
Regular		Business, Commerce and Management Studies	Finance, Economics and Accounting
ABET BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
Undefined	5	Level 5	Regular

SPECIFIC OUTCOME 1

Analyse types of fraud.

SPECIFIC OUTCOME 2

Investigate indicators of fraudulent practice.

SPECIFIC OUTCOME 3

Explain issues of governance to control fraud that impacts on insurance.

SPECIFIC OUTCOME 4

Present evidence of suspicious fraudulent activity.



SOUTH AFRICAN QUALIFICATIONS AUTHORITY

UNIT STANDARD:

6

Demonstrate knowledge and understanding of the influence of international conventions on transportation insurance

SAQA US ID	UNIT STANDARD TITLE		
243162	Demonstrate knowledge and understanding of the influence of international conventions on transportation insurance		
SGB NAME	ORGANISING FIELD ID	PROVIDER NAME	
SGB Insurance and Investment	3		
UNIT STANDARD TYPE	ORGANISING FIELD DESCRIPTION	SUBFIELD DESCRIPTION	
Regular	Business, Commerce and Management Studies	Finance, Economics and Accounting	
ABET BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
		5	

SPECIFIC OUTCOME 1

Research the influence of history and traditions on international law in the 21st Century.

SPECIFIC OUTCOME 2

Explain the English Marine Act of 1906 and its impact on international insurance.

SPECIFIC OUTCOME 3

Explain the influence of American Law on air transport.

SPECIFIC OUTCOME 4

Analyse the application of international conventions in the movement of goods around the world.



SOUTH AFRICAN QUALIFICATIONS AUTHORITY

UNIT STANDARD:

7

Underwrite a high risk, high value risk in cross border transportation

SAQA US ID	UNIT STANDARD TITLE		
243163	Underwrite a high risk, high value risk in cross border transportation		
SGB NAME	ORGANISING FIELD ID	PROVIDER NAME	
SGB Insurance and Investment	3		
UNIT STANDARD TYPE	ORGANISING FIELD DESCRIPTION	SUBFIELD DESCRIPTION	
Regular	Business, Commerce and Management Studies	Finance, Economics and Accounting	
ABET BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
Undefined	10	Level 5	Regular

SPECIFIC OUTCOME 1

Analyse the subject matter of insurance and the associated risks in a high risk, high value proposal.

SPECIFIC OUTCOME 2

Analyse the risk associated with different methods of transportation and selected routes in a cross border consignment.

SPECIFIC OUTCOME 3

Apply knowledge of international conventions and codes to cross border transportation.

SPECIFIC OUTCOME 4

Apply the risk management process to construct an insurance policy for a high value, high risk scenario.



SOUTH AFRICAN QUALIFICATIONS AUTHORITY

UNIT STANDARD:

8

Demonstrate knowledge and insight into reinsurance in the context of risk financing

SAQA US ID	UNIT STANDARD TITLE		
243164	Demonstrate knowledge and insight into reinsurance in the context of risk financing		
SGB NAME	ORGANISING FIELD ID	PROVIDER NAME	
SGB Insurance and Investment	3		
UNIT STANDARD TYPE	ORGANISING FIELD DESCRIPTION	SUBFIELD DESCRIPTION	
Regular	Business, Commerce and Management Studies	Finance, Economics and Accounting	
ABET BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
Undefined	10	Level 5	Regular

SPECIFIC OUTCOME 1

Explain reinsurance in the context of risk financing.

SPECIFIC OUTCOME 2

Apply knowledge of reinsurance to select a reinsurance programme appropriate to a specific risk profile.

SPECIFIC OUTCOME 3

Demonstrate knowledge and insight into legislation that impacts on reinsurance programmes.

SPECIFIC OUTCOME 4

Recommend a solution for a business proposal that falls outside of an existing programme.



SOUTH AFRICAN QUALIFICATIONS AUTHORITY

UNIT STANDARD:

9

SAQA US ID	UNIT STANDARD TITLE		
243165	Apply technical knowledge and insight to customise a Short Term insurance policy/product for a specialised entity or market		
SGB NAME	ISS	FIELD ID	QVID NAME
SGB Insurance and Investment	3		
UNIT STANDARD TYPE	ORGANISING FIELD DESCRIPTION	SUBFIELD DESCRIPTION	
Regular	Business, Commerce and Management Studies	Finance, Economics and Accounting	
ABET BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
Undefined	5	Level 5	Regular

SPECIFIC OUTCOME 1

Analyse a selected business sector/entity to determine unique insurance needs.

SPECIFIC OUTCOME 2

Apply technical knowledge of a sector or entity to assess the adequacy of proposed risk transfer in relation to a client's expressed needs.

SPECIFIC OUTCOME 3

Evaluate the risk to the insurer in a proposed policy/product.

SPECIFIC OUTCOME 4

Critically analyse the proposed policy/product.



SOUTH AFRICAN QUALIFICATIONS AUTHORITY

UNIT STANDARD:

10

SAQA US ID	UNIT STANDARD TITLE		
243166	Demonstrate knowledge and understanding of the principles and practices of reinsurance		
SGB NAME		ORGANISING FIELD ID	PROVIDER NAME
SGB Insurance and Investment		3	
UNIT STANDARD TYPE		ORGANISING FIELD DESCRIPTION	SUBFIELD DESCRIPTION
Regular		Business, Commerce and Management Studies	Finance, Economics and Accounting
ABET BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
Undefined	6	Level 5	Regular

SPECIFIC OUTCOME 2

Apply knowledge of reinsurance to analyse the reinsurance or retrocession programme of a selected insurer or reinsurer.

SPECIFIC OUTCOME 3

Analyse how a reinsurance or retrocession programme influences the operational aspects of a risk carrier.



SOUTH AFRICAN QUALIFICATIONS AUTHORITY

UNIT STANDARD:

11

SAQA US ID	UNIT STANDARD TITLE		
243167	Identify and analyse risk information that could impact on underwriting and pricing in the short term insurance industry		
SGB NAME	ORGANISING FIELD ID	PROVIDER NAME	
SGB insurance and Investment	3		
UNIT STANDARD TYPE	ORGANISING FIELD DESCRIPTION	SUBFIELD DESCRIPTION	
Regular	Business, Commerce and Management Studies	Finance, Economics and Accounting	
ABET BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
Undefined	3	Level 5	Regular

SPECIFIC OUTCOME 1

Identify underwriting and pricing trends in short term insurance.

SPECIFIC OUTCOME 2

Analyse risk assessment practices in short term insurance to make a competitive risk assessment.

SPECIFIC OUTCOME 3

Recommend changes to current company practice in the assessment of risk in short term insurance.

SPECIFIC OUTCOME 4

Communicate information to internal and external customers.



SOUTH AFRICAN QUALIFICATIONS AUTHORITY

UNIT STANDARD:

12

Demonstrate knowledge and understanding of the financial consequences of a large claim to an insurer or reinsurer

SAQA US ID	UNIT STANDARD TITLE		
243168	Demonstrate knowledge and understanding of the financial consequences of a large claim to		
SGB NAME	ORGANISING FIELD ID	PROVIDER NAME	
SGB Insurance and Investment	3		
UNIT STANDARD TYPE	ORGANISING FIELD DESCRIPTION	SUBFIELD DESCRIPTION	
Regular	Business, Commerce and Management Studies	Finance, Economics and Accounting	
ABET BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
Undefined	5	Level 5	Regular

SPECIFIC OUTCOME 1

Analyse the negotiated merits and determine quantum of a large claim.

SPECIFIC OUTCOME 2

Analyse the implications and consequences of a large claim for the financial performance of an insurer.

SPECIFIC OUTCOME 3

Propose steps to minimise future **loss**.

SPECIFIC OUTCOME 4

Explain the impact of a claim on the statutory requirements of the Short Term Insurance Act.



SOUTH AFRICAN QUALIFICATIONS AUTHORITY

UNIT STANDARD:

13

Apply knowledge and insight of insurance to complex commercial and corporate enterprises

SAQA US ID	UNIT STANDARD TITLE		
243169	Apply knowledge and insight of insurance to complex commercial and corporate enterprises		
SGB NAME	ORGANISING FIELD ID	PROVIDER NAME	
SGB Insurance and Investment	3		
UNIT STANDARD TYPE	ORGANISING FIELD DESCRIPTION	SUBFIELD DESCRIPTION	
Regular	Business, Commerce and Management Studies	Finance, Economics and Accounting	
ABET BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
Undefined	10	Level 5	Regular

SPECIFIC OUTCOME 1

Analyse broad descriptions of commercial and corporate insurance used by different insurers and the implications of each for the insurer.

SPECIFIC OUTCOME 2

Investigate a specific industry for insurance purposes.

SPECIFIC OUTCOME 3

Conduct an insurance needs analysis to determine the risks in an enterprise.

SPECIFIC OUTCOME 4

Analyse the expertise required to write complex corporate, commercial or industrial insurance.

SPECIFIC OUTCOME 5

Demonstrate ability to negotiate insurance cover for a complex commercial or corporate account.



SOUTH AFRICAN QUALIFICATIONS AUTHORITY

SAQA US ID	UNIT STANDARD TITLE		
243170	Describe the investigation of fraud in short term insurance		
PROVIDER NAME	ORGANISING FIELD #	PROVIDER NAME	
SGB Insurance and Investment	3		
UNIT STANDARD TYPE	ORGANISING FIELD DESCRIPTION	SUBFIELD DESCRIPTION	
Regular	Business, Commerce and Management Studies	Finance, Economics and Accounting	
ABET BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
Undefined	2	Level 5	Regular

SPECIFIC OUTCOME 1

Explain fraud as it occurs in short term insurance.

SPECIFIC OUTCOME 2

Describe the kinds of evidence needed to prove fraud.

SPECIFIC OUTCOME 3

Make a decision based on available evidence.

SPECIFIC OUTCOME 4

Present information in support of a case.



SOUTH AFRICAN QUALIFICATIONS AUTHORITY

UNIT STANDARD:

15

SAQA US ID	UNIT STANDARD TITLE		
243171	Apply technical knowledge and skill to underwrite risk in short term corporate insurance		
SGB NAME	ORGANISING FIELD ID	PROVIDER NAME	
SGB Insurance and investment	3		
UNIT STANDARD TYPE	ORGANISING FIELD DESCRIPTION	SUBFIELD DESCRIPTION	
Regular	Business, Commerce and Management Studies	Finance, Economics and Accounting	
ABET BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
			Regular

SPECIFIC OUTCOME 1

Investigate the background and circumstances of the corporate proposer.

SPECIFIC OUTCOME 2

Analyse the insurance risk for a corporate insurance buyer.

SPECIFIC OUTCOME 3

Investigate the loss history of a corporate proposer.

SPECIFIC OUTCOME 4

Apply technical knowledge to recommend and substantiate an underwriting decision.


SOUTH AFRICAN QUALIFICATIONS AUTHORITY

SAQA US ID	UNIT STANDARD TITLE		
243172	Apply knowledge of the income Tax Act to short term insurance options		
SGB NAME	ORGANISING FIELD ID	PROVIDER NAME	
SGB Insurance and Investment	3		
UNIT STANDARD TYPE	ORGANISING FIELD DESCRIPTION	SUBFIELD DESCRIPTION	
Regular	Business, Commerce and Management Studies	Finance, Economics and Accounting	
ABET BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
Undefined	3	Level 5	Regular

SPECIFIC OUTCOME 2

Analyse the implications of reserving from a tax perspective.

SPECIFIC OUTCOME 3

Propose the most tax effective insurance options from the point of view of the insured.


SOUTH AFRICAN QUALIFICATIONS AUTHORITY

SAQA US ID	UNIT STANDARD TITLE	
243173	Apply technical knowledge and understanding of the origin and use of technical market data in the insurance industry	
SGE NAME	ORGANISING FIELD ID	PROVIDER NAME
SGB Insurance and Investment	3	
UNIT STANDARD TYPE	ORGANISING FIELD DESCRIPTION	SUBFIELD DESCRIPTION
Regular	Business, Commerce and Management Studies	Finance, Economics and Accounting
ABET BAND (CREDITS)	NQF LEVEL	UNIT STANDARD TYPE
	5	

SPECIFIC OUTCOME 1

Demonstrate knowledge of the kinds of data required of a specific sub-sector of the insurance industry for regulatory reporting purposes.

SPECIFIC OUTCOME 2

Interpret reports issued by the Financial Services Board (**FSB**) and industry bodies relevant to a selected sub-sector.

SPECIFIC OUTCOME 3

Analyse an insurance entity's costs in relation to the market.

SPECIFIC OUTCOME 4

Explain how a selected organisation uses technical market data.



SOUTH AFRICAN QUALIFICATIONS AUTHORITY

UNIT STANDARD:

18

SAQA US ID	UNIT STANDARD TITLE		
243174	Demonstrate knowledge and insight into regulations and legal requirements that impact on insurance or reinsurance in the international arena		
SGB NAME	ORGANISING FIELD ID	PROVIDER NAME	
SGB Insurance and Investment	3		
UNIT STANDARD TYPE	ORGANISING FIELD DESCRIPTION	SUBFIELD DESCRIPTION	
Regular	Business, Commerce and Management Studies	Finance, Economics and Accounting	
ABET BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
		Level 5	

SPECIFIC OUTCOME 1

Investigate regulations and legal requirements that impact on insurance and reinsurance in countries outside of South Africa.

SPECIFIC OUTCOME 2

Explain the impact of compulsory legal cession on insurance and reinsurance.

SPECIFIC OUTCOME 3

Compare different attitudes to liability internationally.

SPECIFIC OUTCOME 4

Discuss issues of governance in countries of the African Union.



SOUTH AFRICAN QUALIFICATIONS AUTHORITY

UNIT STANDARD:

19

Underwrite a high risk in short term commercial and industrial insurance

SAQA US ID	UNIT STANDARD TITLE		
243175	Underwrite a high risk in short term commercial and industrial insurance		
SGB NAME	ORGANISING FIELD ID	PROVIDER NAME	
SGB Insurance and Investment	3		
UNIT STANDARD TYPE	ORGANISING FIELD DESCRIPTION	SUBFIELD DESCRIPTION	
Regular	Business, Commerce and Management Studies	Finance, Economics and Accounting	
ABET BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
Undefined	10	Level 5	Regular

SPECIFIC OUTCOME 1

Assess the risk in a commercial and industrial proposal.

SPECIFIC OUTCOME 2

Value the risk in terms of an underwriting mandate.

SPECIFIC OUTCOME 3

Adapt a policy wording for a standard risk to meet specific needs.

SPECIFIC OUTCOME 4

Present terms and conditions to a client or intermediary.



SOUTH AFRICAN QUALIFICATIONS AUTHORITY

UNIT STANDARD:

20

Apply knowledge of accounting practices to Short Term insurance and Ureinsurance

SAQA US ID	UNIT STANDARD TITLE		
243176	Apply knowledge of accounting practices to Short Term insurance and Oreinsurance		
SGB NAME	ORGANISING FIELD ID	PROVIDER NAME	
SGB Insurance and Investment	3		
UNIT STANDARD TYPE	ORGANISING FIELD DESCRIPTION	SUBFIELD DESCRIPTION	
Regular	Business, Commerce and Management Studies	Finance, Economics and Accounting	
ABET BAND	CREDITS	NQF LEVEL	UNIT STANDARD TYPE
Undefined	3	Level 5	Regular

SPECIFIC OUTCOME 1

Apply knowledge of the matching principle to premium and commission.

SPECIFIC OUTCOME 2

Demonstrate knowledge and application of the principle of reserving in short term insurance.

SPECIFIC OUTCOME 3

Apply basic knowledge of provisioning principles to determine claims' reserves.

SPECIFIC OUTCOME 4

Analyse and interpret the income statement and balance sheet of a short term insurer.