

Ms Melissa Mannell  
Camargue Underwriting Managers  
Per electronic mail: [melissa@camargueum.co.za](mailto:melissa@camargueum.co.za)

21 April 2025

Dear Melissa

**Applicability of the Financial Services Sector Codes to Lloyd's (Lloyd's underwriters and Lloyd's South Africa)**

We refer to your request dated 14 April 2025 relating to Lloyd's South Africa's (LSA) Black Economic Empowerment (BEE) rating. Firstly, it is important to note the distinction between LSA and Lloyd's underwriters. Lloyd's underwriters are the licensed insurers under the Insurance Act, 2017. In terms of the scope of application in the preamble to the *Codes of Good Practice on Broad Based Black Economic Empowerment for the Financial Services Sector* (FSS Codes), the FSS Codes:

*"(2) do not apply to:*

*(a) natural or juristic persons who do not have trading operations in the Republic of South Africa;"*

Lloyds underwriters do not have trading operations in South Africa. The FSS Codes specifically state that it does not apply to entities that do not have trading operations in South Africa. Accordingly, the FSS Codes do not apply to Lloyd's underwriters.

However, the procurement of services provided by Lloyd's underwriters constitutes procurement of imported services as per the generic Codes of Good Practice. The value of such services may be excluded from the Total Measured Procurement of a measured entity for the purposes of calculating its preferential procurement score if there is no local production of such goods or services, or the goods or services carry a different brand or technical specifications to the locally produced goods or services.

Secondly, LSA does not constitute a financial institution as defined in the Financial Sector Charter. LSA is the representative office of Lloyd's underwriters but does not conduct insurance business as a non-life insurer. As such, the reporting obligations on financial institutions in the FSS Codes do not apply to LSA.

Should you require any additional information, please do not hesitate to contact me.

Yours faithfully,



Easvarie Naidoo  
Lloyd's General Representative in South Africa  
Head of Compliance