ACTUARIAL SOCIETY OF SOUTH AFRICA
Advancing Actuarial Excellence
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RESEARCH NEWSLETTER | ISSUE 1 | 2026

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Chair's Summary

During 2025 the Research Committee moved from strategy design to delivery. Our focus was on embedding strong research governance, progressing priority research projects and restoring capacity after clearing a long-standing prize adjudication backlog. This shift enabled a stronger focus on impact, ensuring that ASSA research delivers insight that benefits members, policymakers and society.

Janette Larney

ASSA Research – Annual Report 2026

Strengthening Research Governance

During the year, the Research Committee actively implemented the Research Governance Framework approved by Council in late 2024. The framework strengthened transparency and accountability across core, public interest and thought leadership research, while retaining the agility needed to respond to emerging issues. We also finalised a peer-review selection policy and continued refining our research risk framework to support consistent, high-quality outputs aligned with ASSA's strategic objectives.

Key Research Areas

Core Research

Our core research focus remained on the development of population mortality tables. Progress during 2025 reflected the complexity of the work, including considerations around data quality and model inputs. We engaged with practice areas and external experts to clarify requirements, explore alternative approaches and lay the groundwork for a sustainable way forward into 2026.

Public Interest

We continued to support public interest research addressing key societal challenges. Work progressed on both the tertiary funding project and a National Health Insurance enterprise risk management framework, with engagement and review processes informing the way forward. Together, these initiatives support ASSA's contribution to evidence-based public policy.

Thought Leadership

Thought leadership remained a major area of activity in 2025, with climate risk emerging as a central theme.

We successfully launched Phase 1 of the Climate Change Index, which brings together multiple climate-related indicators into a single composite measure for South Africa and translates complex data into practical insight for insurers, policymakers and the public.

Alongside this flagship initiative, work continued across a range of thought leadership topics, including compulsory third-party insurance, national funeral insurance and education-related themes. We also advanced education-focused research commissioned by Council to examine factors influencing student performance and progression. The aim is to generate insight to inform future educational support and transformation initiatives. These projects progressed at different stages of the research lifecycle during the year, while we also refreshed the research pipeline by inviting Practice Area Committees to submit new topic proposals to inform future priorities.

Connecting Research with Members and Stakeholders

We strengthened research communication through the publication of the Research Newsletter in September 2025 and ongoing engagement with Practice Area Committees. The interim editors of the South African Actuarial Journal played a critical role in stabilising the journal during a challenging period and successfully handing over to a newly appointed editor, ensuring continuity and renewed momentum.

In September 2025, we hosted a research workshop, supported by a pre-workshop survey, to gather feedback from researchers on ASSA's research strategy and processes. The Research Committee has begun taking these insights forward to refine priorities and strengthen future research delivery.

Looking Ahead: Sustaining Momentum

Our three-year Research Strategy continues to guide priorities, with a focus on delivering impactful research, strengthening capacity and securing sustainable funding. During the year, we initiated discussions on research funding, including early engagement with ASDT trustees and specialist legal advisers on efficient and effective structures to attract donor funding. In 2026, we will prioritise embedding research as a key capability that helps ASSA and its members move beyond the numbers to deliver insight with real-world impact.

Launch Research page

Our newly completed research page can be found at this link:

https://www.actuarialsociety.org.za/public-benefits-research/

You will find links to

- ASSA's research governance documents
- The call for EOI's when we commission research
- Completed Research
- Past Convention and Semina papers
- Past South African Actuarial Journals
- Research newsletters

ASSA RESEARCH COMMITTEE: FIRST ESSAY COMPETITION

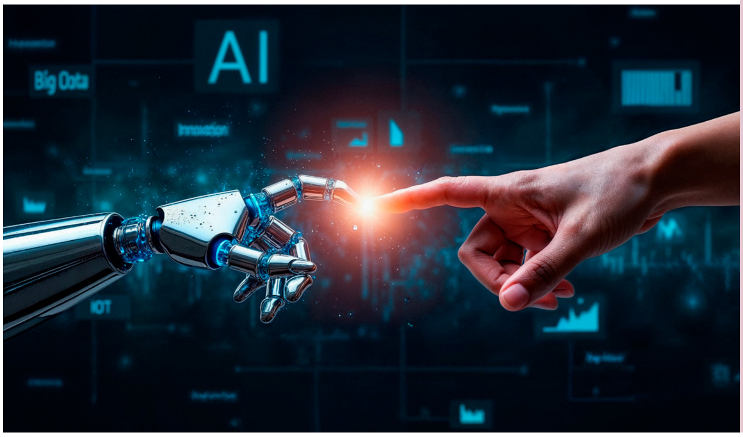
The Actuarial Society of South Africa (ASSA) is pleased to announce the launch of its inaugural essay competition, an initiative designed to encourage thought leadership, professional dialogue, and knowledge sharing within the actuarial community.

Actuaries play a critical role in helping organisations and society understand and manage risk in an increasingly complex and rapidly changing world. The ASSA Essay competitions provide members with an opportunity to contribute ideas, insights, and perspectives on emerging issues affecting the actuarial profession, financial services, and the broader public interest.

Through these competitions, ASSA aims to create an accessible platform for members to engage with important topics in a concise and thought-provoking format. Essays allow actuaries to explore new ideas, share practical perspectives from their professional experience, and contribute to discussions that shape the future of the profession.

The competition is open to all ASSA members, including Fellows, Associates, and student members. Selected Essays will be recognised and published by ASSA, helping to stimulate discussion and showcase the diverse perspectives within the South African actuarial community.

The sections that follow contain the topic for this competition, the submission guidelines and coemption information.



TOPIC:

Artificial Intelligence and the Future of the Actuarial Profession in South Africa: A 10-Year Outlook

The actuarial profession has long been defined by its ability to adapt to new sources of data, new analytical tools, and evolving societal risks. Today, the rapid development of artificial intelligence (AI), particularly large language models (LLMs) and generative AI, presents both opportunities and challenges for actuaries.

Across industries, AI systems are already performing tasks that resemble traditional actuarial work: analysing large datasets, generating forecasts, drafting reports, automating routine modelling, and assisting with decision support. In the coming decade, the pace of adoption of these technologies is expected to accelerate, raising important questions about how actuarial skills will evolve and how the profession will position itself in a data-driven world.

In South Africa and the rest of the world, these questions are especially relevant. Actuaries play a critical role in insurance, pensions, banking, healthcare financing, and public policy. The emergence of AI tools may transform how actuarial work is performed, the skills that will be valued, and the ways actuaries contribute to financial stability and risk management.

We invite essays that explore the future of the actuarial profession in South Africa over the next ten years in the context of artificial intelligence and large language models.

Submissions may consider, but are not limited to, the following themes:

- The pace of AI adoption in actuarial work, and which traditional actuarial tasks are most likely to be automated or augmented.
- How LLMs and generative AI may change actuarial modelling, reporting, and communication.
- The future skillset of actuaries: which technical, analytical, or professional capabilities will remain uniquely human and valuable.
- Opportunities for actuaries to lead in AI governance, model validation, and responsible use of algorithmic systems.
- The implications for actuarial education and professional training and upskilling in South Africa.
- Risks associated with AI adoption, including model risk, bias, transparency, and regulatory challenges.
- New areas of actuarial practice that may emerge as AI reshapes financial services and risk management.
- The role of actuaries in public policy in a world increasingly influenced by automated decision-making.

Essays should aim to be forward-looking and analytical, combining an understanding of actuarial practice with insight into technological change. Authors are encouraged to consider both opportunities and risks, and to reflect on how the profession can remain relevant, trusted, and influential in an AI-enabled future.

Submissions should be written in clear, accessible language and supported by evidence, examples, or reasoned argument where appropriate.

Through this call for Essays, we hope to stimulate thoughtful discussion within the South African actuarial community about how the profession can adapt, innovate, and lead in an era of rapidly advancing artificial intelligence.

Please click on this **LINK** for more information.

CALL FOR EOI

We have put out a call for EOI for the following Research topics:

1. The impact of climate change and natural catastrophes on non-life insurers in South Africa
2. A Framework for Measuring Policyholder Value for Money (VFM) in Funeral Insurance
3. Measuring South Africa's Informal Sector

You will find more details here:
https://www.actuarialsociety.org.za/public-benefits-research/

Interview with Researcher Greg Whittaker

1. Tell us more about yourself?

I was born in Cape Town, but over the years I've been lucky enough to call four different cities home: Cape Town, Gqeberha (formerly Port Elizabeth), where I matriculated, Chicago, and Johannesburg. I currently live in Johannesburg with my wife, two children, and two dogs.

Most of my career has been in non-traditional fields, such as expert witness work, where I've had the opportunity to handle a wide range of matters – from personal injury and family law to commercial disputes and class actions. I've spent the past 20 years in private practice, which has been both challenging and rewarding.

I'm a Fellow of both the Actuarial Society of South Africa and the Society of Actuaries in the United States. I stay actively involved in the profession: locally, I serve as a trustee of the Actuarial Society Educational Trust and sit on both the Research Committee and the Damages Committee. Internationally, I participate in the Society of Actuaries' Country Ambassador Program, where I particularly enjoy the quarterly conversations with actuaries from around the world. I recently graduated with a PhD in Statistics and Actuarial Science from the University of the Witwatersrand.

2. Why were you drawn to research?

I was drawn to research about ten years ago when Professor Roseanne Harris and Professor Megan Carswell encouraged me to pursue it more seriously. Until then, my focus had largely been on professional practice, but they helped me see that research could complement and deepen professional work, particularly in fields where evidence-based decision-making is essential. Roseanne ended up supervising my PhD. Her own outstanding achievements in actuarial science, combining technical excellence with relevance to public policy and industry, showed me that research can both advance theory and meaningfully improve decision-making.

3. What motivates you about research or while doing research?

What keeps me motivated in research is that it solves real, practical problems. Research is a way to cut through noise and strong opinions and figure out what is really driving costs and risks. In a field where small changes in assumptions can translate into millions of rand, good research is simply about getting the story as close to right as possible so that decisions are informed rather than reactive.

4. How would you demystify research?

Research begins with noticing that something does not quite make sense, and then asking, "What is really going on here?" In that sense, actuaries are already natural researchers. Every time you question an assumption, test a model against experience, or ask whether a liability projection is credible, you are doing research. The difference between everyday professional work and formal research is mainly that research makes the process explicit, transparent, and shareable so that others can scrutinise, learn from, and build on it.

Seen through the lens of the simple scientific method, writing an actuarial paper becomes far less mysterious. First, observe a problem: for example, rising medical malpractice costs or an injury compensation scheme that seems financially unstable. Next, ask a clear question: what is driving the increase, and is the system sustainable? Then form a hypothesis, such as under-pricing of risk, legal incentives, or demographic change. After that comes the actuarial core: gather data, build models, test scenarios, and see whether the evidence supports or contradicts your hypothesis. Finally, communicate the findings, including uncertainties and limitations, and explain what the results imply for policy or practice.

"RESEARCH IS A WAY TO CUT THROUGH NOISE AND STRONG OPINIONS AND FIGURE OUT WHAT IS REALLY DRIVING COSTS AND RISKS."

5. What do you think is the professional's role in research?

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6. What do you think is the profession's role in public interest focus areas and why should we get involved proactively in these topics?

The actuarial profession's role in public-interest focus areas is not peripheral but foundational, because actuaries are uniquely equipped to translate uncertainty into fair, sustainable systems that govern how risk and resources are shared across society. Whether in road accident compensation, public healthcare liabilities, social security, pensions, or healthcare financing, the central questions are actuarial: who pays, who benefits, whether the system is solvent, and whether it is equitable over time.

Public policy is often driven by short-term political horizons, whereas actuaries are trained to assess long-term consequences and intergenerational equity. By engaging early, actuaries can help prevent foreseeable crises, protect vulnerable populations from systemic failures, and strengthen institutional trust. The profession's continued relevance, credibility, and ethical standing depend on embracing this role, because when promises about compensation, healthcare, or pensions fail, it is ultimately the public, especially those least able to absorb shocks, who bear the cost.

7. What advice would you give to people who are keen to get involved in new topics but haven't carried out research previously?

If you want to engage with current issues but have never done research before, start small and build on what you already know. You do not need a major project or perfect data to contribute meaningfully. Pick one topical issue that intersects with your daily work, frame a clear question ("What is actually driving this?"), gather whatever credible information is publicly available, and apply the same disciplined thinking you use in practice: check assumptions, quantify where possible, be honest about uncertainty, and explain your reasoning in plain language. You can begin with a short note, essay, or professional commentary rather than a formal paper. Some actuaries already contribute in this manner through social media posts.

8. What do you do for fun or in your spare time outside your career?

Any spare time I have, I like to get to the side of a cricket field, athletics track, swimming pool, soccer field, or netball court to watch my children play sports. There is a lot of sport that keeps our house busy. In the last two years, my daughter has been playing chess, and that has motivated me to take up the game again after a 30-year break. It has given me a newfound appreciation for the incredible memories of some of our top players, some of whom are only teenagers. I also enjoy golf and have been a member at Randpark Golf Club for a number of years. I have yet to break par; my personal best was a 74 a few years back.

9. If you could be a cartoon character who would you be and why?

If I could be a cartoon character, I would choose La Linea because he embodies resilience, and creativity in their purest forms: armed with nothing but a single continuous line for a world, he confronts obstacles that appear out of nowhere, negotiates with an unseen creator when reality itself seems unfair, and transforms frustration into humour, and problem-solving without ever needing elaborate tools, status, or even words that anyone else can understand.

TOWARDS A FAIR AND SUSTAINABLE ROAD ACCIDENT COMPENSATION SYSTEM IN SOUTH AFRICA

Introduction

South Africa's Road Accident Fund (RAF) operates at the nexus of social protection, public finance, and road safety policy. For decades, it has served as the principal mechanism for compensating victims of road accidents for injury, disability, or death resulting from negligent driving. However, the system is widely recognized as in crisis. The paper "Towards a Reasonable, Affordable, Equitable, and Sustainable Road Accident Compensation System" addresses this challenge by posing a fundamental question: What type of system for compensating persons injured in road accidents could function effectively in South Africa over the long term?

Utilizing actuarial, legal, economic, and institutional analyses, we compare the current RAF with two alternatives: a no-fault Road Accident Benefit Scheme (RABS) and compulsory third-party insurance (CTPI) offered by private insurers. The analysis concludes that no single model fully addresses the country's requirements, and substantive reform will likely necessitate a hybrid approach underpinned by enhanced governance.

Why Governments Intervene After Road Accidents

Road accidents constitute not only individual tragedies but also significant social risks. Globally, crash-related injuries and fatalities impose costs estimated at approximately 3% of GDP, representing a substantial economic burden. As private individuals are often unable to absorb these losses, governments intervene to ensure that victims receive compensation and medical care.

Historically, compensation systems evolved from traditional liability insurance: if a driver caused harm, their insurer paid damages. But over time, many countries shifted toward broader social protection models. The South African RAF reflects this evolution. Although rooted in third-party liability principles, it now operates partly as a social insurance scheme funded through a fuel levy.

This dual character, encompassing both insurance for drivers and social protection for victims, is central to ongoing policy debates. The key question is whether the system should primarily protect negligent drivers from financial ruin or prioritize support for injured citizens irrespective of fault. Most jurisdictions comprise both components, though some emphasise the former and others the latter. The paper considers road accident compensation from both perspectives – as insurance for motorists and as social security.

The Four Criteria for a "Good" System

Any reform proposal must satisfy four benchmarks established by the Road Accident Fund Commission:

1. **Reasonableness:** benefits should be sensible and aligned with societal resources, avoiding extremes of generosity or inadequacy.
2. **Affordability:** the system must be financially manageable for both users and the state.
3. **Equity:** contributions and benefits should be distributed fairly.
4. **Sustainability:** the scheme must remain viable over time without accumulating unmanageable liabilities.

These criteria are interdependent. A system that is generous yet unaffordable, or inexpensive but inequitable, will ultimately fail to achieve its objectives.

The Current RAF: Ambitious but Struggling

The RAF is a fault-based system funded primarily by a fuel levy. Victims can claim compensation only if another driver's negligence caused the accident. Awards are individualized, often determined through litigation, and can include medical costs, loss of income, and general damages.

While this approach is intended to provide full compensation, in practice, it has resulted in escalating costs, administrative inefficiencies, and significant delays. Governance failures between 2020 and 2025, as documented through audits, court judgments, and parliamentary inquiries, reveal profound institutional dysfunction.

A notable finding is that benefit costs increased substantially in real terms between 2010 and 2020, primarily due to reduced claim defence efficiency. Litigation expenses and inflated loss-of-income awards have exerted significant financial pressure. Additionally, delayed payments diminish the real value of compensation, thereby undermining the scheme's fundamental purpose.

The funding mechanism itself is also vulnerable. A fuel levy depends on petrol consumption, yet technological shifts, such as the rise of electric vehicles, threaten this revenue base over time. Moreover, the RAF operates with significant unfunded liabilities and lacks the strict solvency requirements imposed on private insurers.

Collectively, these issues indicate that the current system fails to meet all four criteria, particularly in terms of affordability and sustainability.

RABS: A No-Fault Alternative Focused on Benefits

The proposed Road Accident Benefit Scheme (RABS) represents a fundamentally different philosophy. Instead of determining who caused the accident, RABS would provide predefined benefits to all victims through an administrative process. Litigation would largely disappear, replaced by structured payments emphasizing medical treatment and rehabilitation.

Such schemes exist in various forms worldwide and are often recognized for providing faster, more predictable support. By capping benefits and standardizing compensation, RABS may control costs more effectively than the RAF.

However, this model raises constitutional concerns within South Africa. Removing the right to sue for full damages may infringe upon common-law rights unless the replacement benefits are sufficiently comprehensive. The paper underscores the tension between efficiency and legal fairness.

A streamlined system may reduce costs, but only if society accepts limitations on compensation.

Perceptions among victims present an additional challenge. Individuals who expect individualized damages may regard fixed benefits as insufficient, especially in severe cases involving lifelong disability.

CTPI: Leveraging Market Efficiency

Compulsory third-party insurance administered by private insurers represents a third pathway. Under this model, every vehicle owner must carry liability insurance, and victims can claim directly against the at-fault driver's policy. The state's role shifts to regulation and oversight, possibly supplemented by a public fund for uninsured or hit-and-run cases.

There are several advantages. Private insurers operate under strict actuarial discipline, maintain reserves, and compete on efficiency. Claims management systems are typically more streamlined, and costs are contained through market pressures.

Internationally, CTPI is the dominant model in many countries. It integrates seamlessly with existing insurance infrastructure and can reduce the government's fiscal burden.

Compliance poses a major challenge. Ensuring that all vehicles are insured is difficult, particularly in contexts with weak enforcement or large informal sectors. Without near-universal coverage, vulnerable victims could be left uncompensated. Hence, most CTPI systems maintain a residual state mechanism to cover uninsured cases, effectively reintroducing a public component.

International Lessons

A survey of global compensation systems reveals both wide variation and common themes. Many countries rely on compulsory liability insurance backed by guarantee funds. Some combine public healthcare systems with private insurance. Others offer additional voluntary coverage for individuals seeking higher protection.

The primary lesson is that no compensation system functions in isolation. Road accident compensation interacts with broader social security, healthcare, and legal frameworks. Effective schemes typically coordinate multiple layers of protection rather than relying on a single mechanism.

Financing and the Future

Financing is arguably the most critical issue. The paper compares revenue sources, including fuel levies, insurance premiums, and general taxation. Each has trade-offs:

- The fuel levy mechanism results in cross subsidies that are not aligned with risk.
- Insurance premiums align payment with vehicle ownership but depend on enforcement.
- Tax funding ensures stability but competes with other public priorities.

Ensuring long-term sustainability also necessitates addressing legacy liabilities. Any transition to a new system must manage the backlog of existing claims to avoid destabilizing the replacement scheme. Equity considerations extend beyond financial balance. Under the fuel levy model, non-drivers also contribute, raising questions about fairness. In contrast, insurance-based systems align costs more closely with risk but may disproportionately affect low-income motorists.

The paper also compares the benefits for road accident victims with other social protections available in South Africa, such as disability grants and workers' compensation. A coherent policy should avoid providing dramatically different levels of support for similar injuries depending solely on how they occurred.

The Case for a Hybrid Solution

After weighing the strengths and weaknesses of each model, we conclude that no single approach satisfies all four criteria simultaneously. The RAF offers comprehensive rights but struggles financially and administratively. RABS promises efficiency but raises legal and reasonableness concerns. CTPI harnesses market mechanisms but faces compliance risks.

A hybrid system could integrate elements of all three models. Many combinations of the three systems are possible. For example, it could provide basic no-fault benefits for medical care and rehabilitation, supplemented by fault-based liability insurance for additional damages, all under strong regulatory oversight. Any reform must also include improvements in governance, transparency, and actuarial monitoring.

A key insight is that structural design alone does not guarantee success. Even the most robust policy framework will fail if it is poorly administered. The RAF's challenges illustrate how governance failures can undermine a well-intentioned scheme.

Strengthening management capacity, reducing fraud, improving claims processing, and enforcing accountability are therefore as important as choosing the right model.

Conclusion

Road accident compensation raises fundamental questions regarding social solidarity, responsibility, and the role of the state. South Africa's current system reflects decades of incremental change but now faces a critical juncture. The paper contends that reform should be guided by a balanced assessment of reasonableness, affordability, equity, and sustainability, rather than by ideology or short-term cost considerations.

The ultimate objective is not only to compensate victims following road accidents, but to do so in a manner that is sustainable for society. Achieving this balance will require pragmatic compromise, institutional reform, and openness to international best practices.

Link to Research Radar:

https://www.actuarialsociety.org.za/wp-content/uploads/2026/01/Research-Radar.pdf

Rethinking Funeral Financing:

Exploring a National Funeral Insurance Scheme in South Africa

By Suhavna Khalawan, Jodi Wishnia, Michelle Flowers, and Kelly Chennells

Funerals in South Africa are deeply rooted in cultural and religious traditions. They serve to strengthen family ties and affirm community standing , with ceremonies often more elaborate than in many other parts of the world. Extravagant funerals are regarded as an essential way of honouring ancestors. However, this cultural significance comes at a considerable financial cost, making South African funerals among the most expensive globally.

To meet these cultural expectations, families often go to extreme financial lengths, sometimes sacrificing household essentials like food and electricity. Consequently, funeral insurance has become one of the most widely bought financial products in the country, with an estimated 48% of South African adults reportedly holding some form of cover.

Yet, as our recent research reveals, the funeral insurance market is highly fragmented, difficult to navigate, and rife with inequities. To address these systemic challenges, our team applied a design thinking approach to explore the feasibility and design of a National Funeral Insurance (NFI) scheme that is affordable, equitable, and administratively efficient.

The Current Landscape: High Costs and Inefficiencies

Our research applied a mixed-methods approach, combining actuarial analysis with qualitative stakeholder interviews, to assess the current market. The landscape currently comprises a wide array of providers: formal insurers, banks, burial societies, funeral homes, retailers, and public sector insurance structures.

Through our analysis, several critical issues emerged:

- **The Affordability Gap:** A South African funeral costs between R10,000 and R150,000. For context, the 2025 national minimum wage is approximately R4,990 per month.
- **Inequitable Pricing:** Premium costs vary significantly across provider types. Banks offer the most cost-effective cover, charging around R42 per month for R50,000 of cover. Conversely, burial societies often charge the highest premiums relative to the benefits they offer.
- **Poor Persistency:** While coverage statistics seem high, 55% of all new policies lapse within the first year. For the lowest earners, a modest R50 monthly premium can consume 3-5% of their total income, making it incredibly difficult to maintain cover during financial hardships.
- **High Profit Margins:** The expected claims cost often comprises only a small portion of the total funeral policy premium. Distribution costs alone can account for 30% to 50% of the first-year premium.
- **Fraud Vulnerabilities:** Because payouts are relatively small and processed quickly, funeral insurance is highly vulnerable to fraud. In fact, 76% of fraud incidents reported for all insurance products in 2023 stemmed from funeral insurance.

A Proposed Solution: The NFI Framework and Alternative Models

Applying a design thinking approach, we mapped out a potential model for a publicly funded National Funeral Insurance (NFI) scheme. It is important to note that this is just one possible model, and we do not assume it is the only solution. In fact, our research also describes other structural alternatives, such as a three-tiered broader policy architecture involving non-contributory social assistance, contributory social insurance, and private insurance.

For the NFI model specifically, the goal is to establish a baseline public good that ensures dignified cover for all citizens. Key recommendations for this NFI design include:

- **Universal Eligibility:** The scheme should be open automatically to all citizens and permanent residents holding a South African identity document. This creates a massive risk pool and avoids the administrative complexity of age-rating or late-joiner penalties.
- **Capped Indemnity Benefit:** Instead of paying out a lump sum of cash, the NFI would offer a standardized package of funeral services. This base package would cover essential needs like body retrieval, storage, preparation, a coffin, transport, and burial or cremation arrangements.
- **Separation of Roles:** To ensure accountability and minimise conflicts of interest, the roles of purchaser, payer, and provider must be distinct. We recommend the Department of Home Affairs act as the purchaser responsible for design and contracting. A designated South African bank (or the Public Investment Corporation) should act as the payer. Vetted funeral parlours would serve as the contracted service providers.
- **Direct Payments to Mitigate Fraud:** Beneficiaries should not have to engage in financial transactions with the payer. The payer would disburse funds directly to the contracted funeral parlours, removing the perverse incentives that drive cash-related fraud.

Financing the Scheme and Mitigating Risk

Given South Africa's current fiscal environment, introducing new taxes or mandatory contributions is neither economically nor politically feasible. Instead, the NFI could be financed by pooling existing public sector funds already dedicated to funeral expenditures. Funding could be sourced from the indigent burial benefit currently managed by local municipalities. Additional public funding could potentially be redirected from the Road Accident Fund (RAF), the Compensation for Occupational Injuries and Diseases Act (COIDA), and the Unemployment Insurance Fund (UIF).

However, integrating these other funds is not without its issues. Any consideration of pooling these funds would require robust governance arrangements and ring-fenced administration separate from their current operating structures. While a full cost estimation of the NFI Fund is out of the scope of this research , strict systems to prevent Fraud, Waste, and Abuse (FWA) must unequivocally be put in place for any pooled funding mechanism. This includes real-time claim validation through the Department of Home Affairs death registry, digital claims platforms to flag anomalies, and random post-claim audits.

Preserving Public-Private Harmony

Importantly, the NFI is designed to coexist with the private market. Citizens would retain the right to purchase supplementary private insurance to top-up their baseline NFI offering. Private insurers could continue offering value-added products (VAPs), such as catering, cattle benefits, or transport arrangements, as well as double accident benefits.

Next Steps

To move this framework from concept to reality, the next critical step is multi-stakeholder engagement involving the National Treasury, the Department of Home Affairs, local municipalities, and funeral industry bodies. Following these consultations, we recommend piloting the NFI in selected districts with a high prevalence of indigent burials to test and refine the operational systems, provider vetting processes, and data-sharing protocols.

By rethinking how we finance funerals, we can ease the intergenerational and emotional toll on vulnerable households, ensuring that every South African has access to a dignified farewell.

Have some great Research topics you think ASSA should look into?

Email us:
researchadmin@actaurialsociety.org.za