



**CIRCULAR**

FOR RELEASE ON  
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Reference : King III and Integrated Sustainability Reporting  
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## **CIRCULAR 48 OF 2011: GOVERNANCE OF MEDICAL SCHEMES KING III AND INTERGRATED SUSTAINABILITY REPORTING**

The Office of the Registrar (Office) is currently reviewing and assessing the need to require medical schemes to comply with King III and to issue an integrated report. The Office has never made it compulsory for schemes to comply with King II thus the need to evaluate the possible impact thereof on medical schemes.

The King III Code states that *“in contrast to the King I and King II codes, King III applies to all entities regardless of the manner and form of incorporation or establishment and whether in the public, private sectors or non-profit sectors”* and *“all entities should apply the principles in the Code and consider the best practice recommendations in the Report”*.

The Medical Schemes Act 131 of 1998 (MSA) has principles and aspects that address governance of medical schemes; protecting the interest of members and requires that the board of trustees should be fit and proper.

All stakeholders are requested to provide input and comments on whether the Office should make it compulsory for schemes to comply with King III. The response should primarily highlight the specific King III principles and recommendations that are deemed to be impractical for medical schemes to adhere to and suggestions on how those principles could be adapted to our environment.

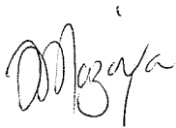
Format of the response:

Principle	Recommended Practice	Concern/ Impact	Alternative proposal	Contradiction to current MSA

All medical schemes are kindly requested to forward all inputs on or before the 31 January 2012 to [l.sehularo@medicalschemes.com](mailto:l.sehularo@medicalschemes.com) or alternatively send a fax to (012) 431 0683.

Your assistance will be highly appreciated.

Kind Regards



**TEBOGO MAZIYA**

**HEAD: FINANCIAL SUPERVISION UNIT**

**COUNCIL FOR MEDICAL SCHEMES**