



**REPORT OF THE PORTFOLIO COMMITTEE ON THE
ECONOMIC AND DEVELOPMENT CLUSTER**

ON

**Insurance (Licensing of Insurance Intermediaries)
(Amendment) Regulations, 2024**

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1. INTRODUCTION

On the 23rd July, 2024, the Hon. Minister of Finance and Development Planning tabled the Insurance (Licensing of Insurance Intermediaries) (Amendment) Regulations, 2024 in the House. The Regulations were referred to the Portfolio Committee on the Economic and Development Cluster for consideration in terms of Standing Order No. 100 (3). The Committee invited the Hon. Minister of Finance and Development Planning to a briefing session in accordance with Standing Order No. 101 (2).

The Committee, therefore, presents this report to the House for consideration.

2. MINISTERIAL BRIEF

The Ministry stated that the Regulations are made pursuant to Sections 69, 72, 73, 77, 80(1), 82(1) and 134 of the Insurance Act, 2014 and amend the Insurance (Licensing of Insurance Intermediaries) Regulations, 2016.

The Regulations address an observation made by the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) Evaluation on Lesotho that the Central Bank of Lesotho's legal framework is in conflict with the Financial Action Task Force (FATF) standards on combating Money Laundering and Terrorist Financing. The Regulations, therefore, will address the gap to ensure that market entry requirements for insurance intermediaries include “**beneficial owners**”, and that the ownership structure and supervision of Insurance intermediaries is inclusive of beneficial owners.

The Regulations further introduce the provision for application of a license as an insurance intermediary which shall include a clear identification and tax clearance certificate of a beneficial owner of the applicant.

3. RECOMMENDATIONS

The Committee recommends that these Regulations be allowed and this report be adopted by the House.