

## **Media Release**

### **Association for Savings and Investment South Africa (ASISA)**

**28 July 2025**

#### **Fraud and dishonesty worth R1.4 billion prevented by life insurers and investment companies in 2024**

South African life insurers and investment companies successfully prevented fraud and dishonesty worth R1.4 billion in 2024, but incurred losses of at least R131.6 million to criminals and dishonest individuals.

The annual fraud statistics compiled by the Forensic Standing Committee of the Association for Savings and Investment South Africa (ASISA) show that ASISA members detected 16 520 cases of fraud and dishonesty in 2024, a 26 % increase from the previous year, when 13 074 cases were detected.

According to Jean van Niekerk, convenor of the ASISA Forensic Standing Committee, the R131.6 million lost to fraud and dishonesty represents around 0.02% of the honest claims paid in 2024. ASISA members paid honest claims worth R639 billion in 2024, the highest ever paid in a year.

Van Niekerk states that, despite a significant increase in fraud and dishonesty detected in 2024 when compared to 2023, there was a decrease in the Rand value of actual losses, from R175.9 million in 2023 to R131.6 million in 2024.

He explains that the ongoing deployment of sophisticated and focused detection methods by the forensic departments of life insurers and investment companies has significantly contributed to the high number of cases thwarted in 2024.

"Our industry has always been seen as a soft target by criminals and dishonest individuals because of the significant amounts of investments and benefits being managed, but it is getting increasingly difficult to get away with fraud and dishonesty," says Van Niekerk. If we allowed fraud to get out of hand, premiums would have to go up and ultimately, honest policyholders would be paying the price."

#### **Fraud and dishonesty in 2024**

The ASISA fraud statistics are reported under five categories: remuneration fraud, fraudulent applications, fraudulent and dishonest life insurance claims, fraudulent withdrawals and disinvestments, and other fraud.

According to Van Niekerk, remuneration fraud accounted for more than half of all cases reported by ASISA members in 2024. Remuneration fraud generally involves fraudulent attempts by call centre agents, tied agents or independent financial advisers (IFAs) to benefit from commission and/or fees. ASISA members reported 9 904 remuneration fraud cases in 2024 compared to 7 962 cases in 2023. Remuneration fraud cost companies just

over R19 million last year—a sizeable increase from R15 million in 2023—while fraud of only R2.5 million was prevented.

Fraudulent and dishonest life insurance claims were the category with the second highest number of claims in 2024, with cases increasing from 4 130 in 2023 to 5 505 in 2024. Van Niekerk says the good news was that actual losses showed a significant decrease from R69.8 million in 2023 to R39.1 million in 2024.

Van Niekerk says the only category that showed a decrease in cases was fraudulent withdrawals and disinvestments. Unfortunately, however, while the attack rate decreased, the prevented amount was lower than in 2023, and the actual losses recorded increased slightly from R40.5 million to R44.3 million.

#### ASISA Fraud Statistics: 2023 to 2024

Category	Number of detected incidents		Prevented amount		Actual loss	
	2023	2024	2023	2024	2023	2024
<b>Remuneration fraud</b> - attempts by call centre agents, tied agents or IFAs to benefit from commission and/or fees	7 962	9 904	R9.3m	R2.5m	R15.0m	R19.2m
<b>Fraudulent applications</b> - fraud and dishonesty committed at the application stage through misrepresentation, non-disclosure, impersonation or identity theft	159	166	R139.1m	R192.8m	R9.1m	R1.6m
<b>Fraudulent and dishonest life insurance claims</b> - attempts to claim benefits from risk policies such as	4 130	5 505	R1 010.3m (R1.0bn)	R940.9m	R69.8m	R39.1 m

life and disability cover (including murder for money and deceased estate fraud)						
<b>Fraudulent withdrawals and disinvestments</b> - accessing investments by fraudulent means (including murder for money and deceased estate fraud)	356	274	R287.6m	R244.6m	R40.5m	R44.3m
<b>Other fraud</b> - attempts to obtain investment policy benefits and bribery and corruption	467	671	R31.7m	R11.0m	R41.5m	R27.4m
<b>Total</b>	<b>13 074</b>	<b>16 520</b>	<b>R1478.0 m (R1.5bn)</b>	<b>R1391.8 m (R1.4bn)</b>	<b>R175.9m</b>	<b>R131.6m</b>

### New and concerning trends

Van Niekerk says that while all types of fraud and dishonesty are of concern, the industry is particularly focused on stamping out murder for insurance payouts and deceased estate fraud. The ASISA Forensic Standing Committee, therefore, requested that ASISA members report on these cases separately to facilitate the sharing of critical information, monitor trends, and identify ways to address these cases.

- **Murder for insurance payouts**

Van Niekerk reports that out of the 5 505 fraudulent and dishonest life insurance claims recorded in 2024, 38 were murder for money cases.

### Murder for Money: 2024

	Number of Incidents	Prevented Amount	Actual Loss
Life policies	2	R4.9 million	0
Funeral policies	36	R1.7 million	R0.38 million
<b>Total</b>	<b>38</b> (14 in 2023)	<b>R6.6 million</b>	<b>R0.38 million</b>

Van Niekerk reports that ASISA established two working groups to focus on solutions that ensure that funeral policies remain an accessible risk product while at the same time reducing the risk of criminals buying these policies to murder someone for financial benefit.

"While we can confidently say that criminals are highly unlikely to get away with this type of crime, the ultimate goal is to prevent someone from losing their life in the first place. Life companies pick up on this type of crime very quickly through their data-sharing initiatives, but the process of gathering evidence and building a case that will stand up in court is often slow."

- **Deceased estate fraud**

Van Niekerk says in recent years, criminal syndicates identified deceased estates as a lucrative way of accessing large amounts of money, preying on people's grief and the slow and arduous processes involved in winding up the financial affairs of a deceased family member. Deceased estate fraud is committed by impersonating legitimate parties and fabricating letters of executorship and other documents, as well as opening fraudulent bank accounts in the names of the deceased's estate by impersonators and false executors.

Although the numbers are still relatively low, the number of incidents detected has tripled from 54 in 2023 to 161 in 2024. Even more concerning is the significant Rand value of the fraud prevented. "If we had not detected the 161 cases last year, our industry and beneficiaries would have lost R220 million to criminal syndicates," says Van Niekerk.

### Deceased Estate Fraud: 2024

	Number of Incidents	Prevented Amount	Actual Loss
<b>Deceased estate fraud: life insurance</b>	67 (20 in 2023)	R23.9 million	R11.3 million
<b>Deceased estate fraud: investments</b>	94 (34 in 2023)	R196.1 million	R7.6 million
<b>Total</b>	<b>161</b> (54 in 2023)	<b>R220 million</b>	<b>R18.9 million</b>

Van Niekerk states that, to curb this crime, the ASISA Forensic Standing Committee established an Estate Late Fraud working group in 2024. In addition, several ASISA members have signed a Memorandum of Understanding to ensure the legal sharing of data and trends, aiming to help prevent deceased estate fraud.

"We are also working closely with the Hawks, the Department of Justice, Crime Intelligence, the National Prosecuting Authority and other law enforcement partners to help with the investigation of cases," adds Van Niekerk.

He concludes that effective fraud prevention also relies heavily on consumer vigilance. "All financial services providers have fraud hotlines, and we call on consumers to report suspected fraud or suspicious behaviour immediately."

## **Ends**

### **To set up interviews, please contact:**

Lucienne Fild  
Independent Communications Consultant  
082 567 1533  
lucienne@fild.co

### **Issued on behalf of:**

Jean van Niekerk  
Convenor of the Forensic Standing Committee  
The Association for Savings and Investment South Africa (ASISA)

*ASISA represents the majority of South Africa's asset managers, collective investment scheme management companies, linked investment service providers, multi-managers, and life insurance companies.*