

## South Africa

In South Africa the entire landscape upon which IPs are required to operate is undergoing revision, both in regard to legislation and policies.

The long-awaited new legislation (consolidating the existing insolvency legislation and incorporating business rescue provisions) is still moving through the parliamentary process and it is not clear when the new legislation will be enacted.

A ministerial committee of enquiry has been appointed to investigate the efficiency of the current system relating to the appointment of IPs and to investigate any aspects which may allow for undesirable practices. The committee is tasked with making recommendations for remedial action and its brief involves, inter alia, issues of appointments, qualifications, the appointment of 'previously disadvantaged individuals' (PDIs) and 'fronting', whereby PDIs who are not genuine equity holders in the business may be appointed without deriving proper remuneration from their employers.

The statutory regulation of practitioners is also under consideration, as the insolvency industry is presently unregulated.