



South African Reserve Bank

Media statement

Friday, 22 February 2019

The South African Reserve Bank proposes a methodology to determine systemically important banks in South Africa: invitation to comment on the discussion paper

The South African Reserve Bank (SARB) has published, for public comment, a [discussion paper](#) titled 'A methodology to determine which banks are systemically important within the South African context'. The discussion paper is aimed at soliciting comments on the methodology proposed for determining systemically important banks in South Africa.

The primary objective of the SARB is to protect the value of the currency in the interest of balanced and sustainable economic growth in South Africa. In addition, the SARB's mandate and function of protecting and enhancing financial stability in the Republic of South Africa is affirmed in the Financial Sector Regulation Act 9 of 2017 (FSR Act). In support of the SARB's financial stability mandate, section 29 of the FSR Act provides the Governor of the SARB with the powers to designate an institution as a systemically important financial institution (SIFI), and affords the SARB additional powers with regard to SIFIs to assist it in fulfilling its mandate.

The discussion paper focuses on the proposed methodology to determine which banks are SIFIs within the South African context.¹ The methodology takes into account international guidance and best practice as well as the unique characteristics of the South African financial system.

Comments on the paper are invited to ensure that the methodology will accurately reflect the systemic importance of banks and serve as a sound basis for the Governor to designate those banks as SIFIs. A summary of the comments received may be published, unless respondents explicitly request otherwise.

Contact details and deadline for comments

Comments on this discussion paper should be addressed to:

¹ While this methodology focuses only on banks, similar methodologies to determine which, if any, non-bank financial institutions should be designated as SIFIs will be developed in due course.

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Please state your affiliation or whether you are commenting in your personal capacity.

The closing date for comments is Friday, 29 March 2019.

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