



South African Reserve Bank

## Media Statement

08 April 2020

### Invitation to comment on a discussion document on the coverage and reporting rules for the a deposit insurance scheme for South Africa

The South African Reserve Bank (SARB) has published for comment a discussion document titled '[Coverage and reporting rules for deposit insurance in South Africa](#)'.

The document provides details about the membership of the proposed deposit insurance scheme (DIS) for South Africa. Detail is provided about how the future Corporation for Deposit Insurance (CoDI) will deal with banks' membership at the date of the establishment of the DIS, new banking licence applications, termination of membership and changes in bank licences as a result of mergers and acquisitions.

The paper also presents proposed coverage rules for different types of depositors, types of accounts, product types and account features. Based on these coverage rules, banks will have to report depositor information to CoDI. The proposals relating to banks' reporting obligations provide details on the information to be submitted as well as requirements for data quality and assurance.

The proposals in the paper have been formulated with due consideration of both country-specific characteristics and applicable international standards. They are aimed at contributing to the creation of a DIS that would enhance the financial safety net to optimally serve the needs of the South African financial system.

### Contact details and deadline for comments

Comments on this discussion paper should be addressed to:

Head: Financial Stability Department  
South African Reserve Bank  
P O Box 427  
Pretoria 0001  
Tel. +27 12 313 3601  
Email: [CoDI@resbank.co.za](mailto:CoDI@resbank.co.za)

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

Please also note that a summary of the comments received may be published, unless respondents explicitly request otherwise.

The closing date for comments is 29 May 2020.

## **Background**

On 25 September 2018 National Treasury published the Financial Sector Laws Amendment Bill (FSLAB), in terms of which the SARB will become the resolution authority for banks and systemically important non-bank financial institutions, and in terms of which a DIS for South Africa will be established. The DIS will ensure that depositors' funds are protected in the event of a bank failure, and that depositors' funds will be paid out speedily to protect the most vulnerable customers. These amendments apply to all registered South African banks, including mutual and cooperative banks.

The FSLAB contains the high-level enabling framework for the establishment of CoDI. A series of discussion documents will be published by the SARB on the key aspects that will affect and facilitate the operationalisation of CoDI. These discussion documents will be converted to secondary legislation, after the promulgation of the FSLAB. The first paper in the series focuses on the coverage and reporting rules for deposit insurance in South Africa.