



SOUTH AFRICAN RESERVE BANK

18 February 2021

Invitation from the South African Reserve Bank to comment on a discussion document on the data definition and reporting requirements for deposit insurance in South Africa

The South African Reserve Bank (SARB) has published for public comment, a discussion document titled 'Data definition and the reporting requirements for deposit insurance in South Africa'. The document describes the data requirements and operational proposals for the Corporation for Deposit Insurance (CoDI), which will be established in terms of the Financial Sector Laws Amendment Bill (FSLAB).

The document provides details about the data fields required by CoDI, sources for master and reference data and the associated data formats. The document also presents details of CoDI's data quality and assurance process, governance requirements as well as the channels available to banks for submission of data. The document ends with more details provided on the way forward.

The proposals take into account country-specific characteristics and applicable international standards. They are aimed at contributing to the creation of a deposit insurance scheme 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:

Interim Chief Executive Officer
Corporation for Deposit Insurance
South African Reserve Bank
P O Box 427
Pretoria 0001
Tel. +27 12 313 3601
Email: 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 16 April 2021.

Background

On 25 September 2018, National Treasury published the FSLAB. The FSLAB of 2018 gives effect to proposals contained in the discussion documents : Strengthening South Africa's Resolution Framework for Financial Institutions released on 13 August 2015 and the deposit insurance discussion policy document: Designing a Deposit Insurance Scheme for South Africa released on 30 May 2017. The amendments will strengthen the ability of the South African Reserve Bank to manage the orderly resolution or winding down of a failing financial institution, with minimum disruption to the broader economy. In addition, the amendments 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 two papers in the series focuses on the coverage and reporting rules, CoDI's funding model and the implications for banks.

Issued by SARB Media Relations:

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