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SOUTH AFRICAN RESERVE BANK
Prudential Authority

Ref.: 15/8/1/1

C3/2026

To: All banks, branches of foreign institutions, controlling companies, eligible institutions and auditors of banks or controlling companies

Circular issued in terms of section 6(4) of the Banks Act, 1990 (Act No. 94 of 1990)

Application and interpretation of specified requirements in relation to declaration and certification of the form BA 099 in respect of statutory returns submitted

Executive Summary

The purpose of this circular is to provide clarity to all banks, branches of foreign institutions, controlling companies (hereinafter collectively referred to as 'banks'), eligible institutions and auditors of banks or controlling companies on the application and interpretation of the requirement to submit a duly completed form BA 099, as prescribed in the Regulations relating to Banks (Regulations).

1. Introduction

1.1 The Core Principles for Effective Banking Supervision issued by the Basel Committee on Banking Supervision requires supervisors, among other things, to-

1.1.1 assess the fitness and propriety of board members and senior management of the bank and its wider group;

1.1.2 collect, review and analyse prudential reports and statistical returns from banks on both a solo and consolidated basis;

1.1.3 enforce compliance with the requirement that information be submitted on a timely and accurate basis; and

1.1.4 determine the appropriate level of the bank's senior management that is responsible for the accuracy of supervisory returns.

1.2 In consideration of paragraph 1.1.1 above-

1.2.1 section 1(1A) of the Banks Act, 1990 (Act No. 94 of 1990) (Banks Act) imposes a duty on the Prudential Authority (PA) to consider specified qualities when determining whether particular persons are fit and proper to hold the office of a director or an executive officer of a bank or controlling company; and

1.2.2 an executive officer and employee in charge of a risk management function are defined in section 1 of the Banks Act and are of critical importance.

1.3 Furthermore, regulation 42(1) of the Regulations requires that individuals who are holding or are proposing to hold the office of a director or executive officer of a bank or controlling company, submit a duly completed statement and declaration using a form BA 020.

1.4 To achieve 1.1.4 above, regulations 4(1) and 4(2) of the Regulations require that every set of returns rendered simultaneously, irrespective whether a return is rendered on a prescribed form or by means of an electronic facility, must be accompanied by a duly completed form BA 099, signed and certified by the Chief Executive Officer (CEO), Chief Accounting Officer (CAO) and executive officer responsible for compliance with the Financial Intelligence Centre Act, 2001 (Act No. 38 of 2001), as amended (FICA).

1.5 Regulation 4(3) of the Regulations specifies that when the CEO, CAO or executive officer responsible for compliance with the FICA is unavailable to sign the completed form BA 099, the officer performing the relevant function must sign in an acting capacity and not on behalf of the absent officer, and the normal office of the officer so acting shall be clearly stated on the form BA 099.

1.6 The purpose of this circular is to provide clarity regarding the application and interpretation of regulation 4 of the Regulations, read with regulation 42(1) of the Regulations and the required certification of the form BA 099.

2. Clarification of requirements specified in section 1(1) of the Banks Act

2.1 An executive officer, in relation to any institution that is a bank, is defined in section 1(1) of the Banks Act to include: "…any employee who is a director or who is in charge of a risk management function of the bank, the compliance officer, the secretary of the company or any manager of the bank who is responsible, or reports, directly to the chief executive officer of the bank".

2.2 Furthermore, an employee in charge of a risk management function is defined as that employee of the bank who is ultimately responsible for the management of one or more of the following types of risk to which the bank is exposed, namely-

2.2.1 solvency risk;

2.2.2 liquidity risk;

2.2.3 credit risk;

2.2.4 currency risk;

2.2.5 market risk (position risk);

2.2.6 interest rate risk;

2.2.7 counterparty risk;

2.2.8 technological risk;

2.2.9 operational risk;

2.2.10 compliance risk; or

2.2.11 any other risk regarded as material by that bank.

2.3 As such, the senior management of a bank that is required to certify the relevant component of every form BA 099 submitted to the PA must be an executive officer as defined in section 1(1) of the Banks Act.

3. Clarification of requirements specified in regulation 4(2) of the Regulations

3.1 As specified in regulation 4(2) of the Regulations, every set of returns, irrespective whether the return is submitted to the PA on a daily, monthly, quarterly, six-monthly or yearly basis, must be accompanied by a duly completed, signed and certified form BA 099.

3.2 Regulation 7 of the Regulations, read with Directives 5 and 6 of 2025[1] or any replacement thereof, outlines in detail a list of prescribed returns in respect of financial, risk-based and other related information, indicating submission intervals applicable to each return required by the PA.

3.3 Regulation 4(3) of the Regulations specifies that "When the CEO, CAO or executive officer responsible for compliance with the FICA is unavailable to sign the completed form BA 099, the officer performing the relevant function must sign in an acting capacity and not on behalf of the absent officer, and the normal office of the officer so acting shall be clearly stated on the form BA 099".

3.4 Similarly, should any executive officer be unavailable on a particular day to certify the accuracy and correctness of information contained in the returns submitted to the PA, the individual performing the relevant function who has been assessed by the PA as fit and proper in accordance with the provisions of section 1(1A) read with regulation 42(1) of the Regulations, must sign the form BA 099 in an acting capacity and in accordance with the bank's duly approved policy in relation to the delegation of authority. However, it remains the primary responsibility of the CEO, CAO, executive officer responsible for compliance with FICA and any other relevant executive officer to attest to such information and returns specified on the form BA 099 whenever such person is available.

3.5 Banks must ensure that any applications made in terms of paragraph 3.4 above do not result in the erosion of the responsibility and accountability of the executive officer(s) managing a specific risk-type.

[1] D5-2025 -Directive replacing D1 of 2025 returns to be submitted to the PA
D6-2025 - Directive returns to be submitted to the PA from 1 July 2025

4. Acknowledgement of receipt

4.1 Kindly ensure that a copy of this circular is made available to your institution's independent auditors. The attached acknowledgement of receipt duly completed and signed by both the chief executive officer of the institution and the said auditors should be returned to the PA at the earliest convenience of the aforementioned signatories.

Fundi Tshazibana

Fundi Tshazibana
Chief Executive Officer

Date: 21/09/26

The previous circular issued was Banks Act Circular 2/2026, dated 31 July 2026.