



South African Reserve Bank

From the Office of
the Registrar of Banks

D2/2012

2012-01-24

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

Directive 2/2012 issued in terms of section 6(6) of the Banks Act, 1990

Matters related to the form BA 200 of the “Amended Regulations relating to Banks”

Executive summary

The Bank Supervision Department (BSD) recently issued the “Amended Regulations relating to Banks”, in which the forms for regulatory reporting were also amended. The BSD deemed it appropriate to require banks to report specified credit risk-related information in addition to the information currently required as part of the forms BA 200, BA 210 and BA 220.

This directive serves to inform banks, branches of foreign institutions, controlling companies and auditors of banks or controlling companies (hereinafter collectively referred to as banks) of further information required to be reported as of 1 January 2012.

1. Introduction

1.1 In order to ensure that the South African regulatory framework remains in line with the latest international regulatory, supervisory and market developments, the BSD recently amended the Regulations relating to Banks (the Regulations). As part of the amended Regulations, which were implemented with effect from 1 January 2012, the BSD deemed it appropriate to require banks to report specified credit risk-related information in addition to the information currently required as part of the forms BA 200, BA 210 and BA 220.

2. Directive

2.1 Attached hereto please find Annexure A, which sets out the specified information required to be reported by banks as of 1 January 2012:

2.1.1 Lines 491 to 513, columns 1 to 26 of the form BA 200 have been incorporated into the amended Regulations.

2.1.2 In addition, banks are hereby directed to complete a further three columns in order to allow the BSD to duly discharge its supervisory duties in respect of banks' exposure to credit risk. In order to facilitate banks' reporting via SARBDEX in Extensible Markup Language (XML) format, the additional required information shall be added to the form BA 200 as columns 27 to 29.

2.1.3 The additional information will be incorporated into the next round of amendments to the Regulations.

3. Acknowledgement of receipt

3.1 Two additional copies of this directive are enclosed for the use of 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 this Office at the earliest convenience of the aforementioned signatories.



René van Wyk
Registrar of Banks

The previous directive issued was Directive 1/2012 dated 23 January 2012.

all amounts to be rounded off to the nearest R'000

Asset class¹

Advance IRB approach: Analysis of performing credit exposure, that is, EAD, analysed by effective maturity Specified maturity band ¹	Specified maturity band ¹		Corporate exposure ³										Public sector entities ³	Local government and municipalities ³			
	Line no.	Lower bound (Years) ²	Upper bound (Years) ²	Corporate	Specialised lending - high volatility commercial real estate (property development)	Specialised lending - income producing real estate	Specialised lending - object finance	Specialised lending - commodity finance	Specialised lending - project finance	SME corporate	Purchased receivables - corporate	Total corporate exposure (total of col. 3 to 10)					
															1	2	3
00			0,5000														
01		0,5001	1,0000														
02		1,0001	1,5000														
03		1,5001	2,0000														
04		2,0001	2,5000														
05		2,5001	3,0000														
06		3,0001	3,5000														
07		3,5001	4,0000														
08		4,0001	4,5000														
09		4,5001	5,0000														
10		5,0001	and longer														
Total EAD weighted average effective maturity ² (of items 502 to 512)			513														

1. In respect of the relevant specified maturity bands and asset classes, a bank shall report the aggregate amount of its total credit exposure, that is, the relevant EAD amount, calculated in accordance with the relevant requirements specified in these Regulations, including the relevant principles contained in regulation 23(13)(d)(i)(B)

2. The 1 year regulatory floor and the 5 year specified maximum effective maturity used for the calculation of minimum required capital and reserve funds shall be disregarded for purposes of the completion of the items 502 to 513

3. Based on the same method used for the calculation of minimum required capital and reserve funds, such as the cash-flow formula or maximum remaining time, without taking into consideration the relevant specified 1 year regulatory floor and 5 year maximum effective maturity limit.

(all amounts to be rounded off to the nearest R000)

Advance (RB approach: Analysis of performing credit exposure, that is, EAD, analysed by effective maturity)	Specified maturity band ¹	Line no.	Banks ³		Securities firms ³		Retail exposure ⁴			Retail other			Sovereign (including central government and central banks)	Total credit exposure (EAD) (total of col 11 to 16 and 28)				
			14	15	Total retail exposure (total of col 17, 18, 20, 23 and 27)	Retail revolving credit		SME retail		Retail other		27			28			
						Total	of which: credit cards	Total	of which: secured lending	Total	of which: unsecured lending					of which: vehicle and asset finance	of which: unsecured lending > R30 000	
		00	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29
		01																
		02																
		03																
		04																
		05																
		06																
		07																
		08																
		09																
		10																
		Total EAD weighted average effective maturity ²																

1. In respect of the relevant specified maturity bands and asset classes, a bank shall report the aggregate amount of its total credit exposure, that is, the relevant EAD amount, calculated in accordance with the relevant requirements specified in these Regulations, including the relevant principles contained in regulation 23(13)(d)(i)(B)

2. The 1 year regulatory floor and the 5 year specified maximum effective maturity used for the calculation of minimum required capital and reserve funds shall be disregarded for purposes of the completion of line items 502 to 513

3. Based on the same method used for the calculation of minimum required capital and reserve funds, such as the cash-flow formula or maximum remaining time, without taking into consideration the relevant specified 1 year regulatory floor and 5 year maximum effective maturity limit.

4. Based on the maximum remaining time, without taking into consideration any relevant specified floor or maximum effective maturity limit.