



South African Reserve Bank  
From the Office of  
the Registrar of Banks

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

**Directive 3/2016 issued in terms of section 6(6) of the Banks Act 94 of 1990**

**Amended Regulations relating to Banks: Parallel-run process**

### Executive summary

This Office recently advised that the revised targeted implementation date of the proposed amended Regulations relating to Banks (proposed amended Regulations) will be 1 July 2016.

The purpose of this directive is to inform banks, branches of foreign institutions, controlling companies, eligible institutions and auditors of banks or controlling companies (hereinafter collectively referred to as all interested persons) of a parallel-run process in respect of specified amended statutory returns.

#### **1. Introduction**

- 1.1 It was originally anticipated that the proposed amended Regulations would be implemented with effect from 1 January 2016.
- 1.2 This target date was subsequently revised and all interested persons were advised of the revised target date of 1 July 2016 by means of Banks Act Circular 3/2016 that was issued on 31 March 2016.
- 1.3 This Office hereby informs all interested persons that the Minister of Finance has approved the proposed amended Regulations for implementation with effect from 1 July 2016.

#### **2. Directive**

- 2.1 The approved amended Regulations include amendments to specific statutory returns (BA-forms). Specific BA-forms that have been amended and that are of significant importance to the Bank Supervision Department include:

- Form BA 300;
- Form BA 320 (minor amendments);
- Form BA 600 (minor amendments);
- Form BA 610; and
- Form BA 700.

- 2.2 In order to duly discharge its responsibilities to prepare for the implementation of specific amended BA-forms, this Office requires that a parallel-run process be implemented in respect of the forms BA 300, BA 610 and BA 700.
- 2.3 Therefore all banks, controlling companies and foreign operations of South African banks are required to submit electronically both the BA-forms prescribed in the current Regulations relating to Banks, as well as the amended BA-forms that will come into effect from 1 July 2016 onwards, as specified in paragraph 2.2 above.
- 2.4 The parallel-run process does not affect the prescribed submission dates of the current BA-forms.
- 2.5 Submissions as part of the parallel-run process on the specified amended BA-forms will be in respect of the reporting periods for May and June 2016, as follows:

<b>Amended BA-form</b>	<b>Reporting period</b>	<b>Date of electronic submission</b>
<b>Bank legal entity (solo)</b>		
Form BA 300	May 2016	13 July 2016
Form BA 700	May 2016	13 July 2016
Form BA 300	June 2016	12 August 2016
Form BA 700	June 2016	12 August 2016
<b>Controlling companies</b>		
Form BA 700	June 2016	26 August 2016
<b>Foreign operations of South African banks</b>		
Form BA 610	June 2016	26 August 2016

### 3. General

- 3.1 Final arrangements to facilitate the parallel-run process, such as unique numbers, validation rules, etc. in respect of the forms specified in the table above will be communicated to the relevant representatives of the reporting entities in due course.
- 3.2 This Office requires oversight and sign-off of the specified BA forms by the respective banks' internal audit departments to enhance the completeness and accuracy thereof as part of the parallel-run process.

### 4. Acknowledgement of receipt

- 4.1 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.

  
Registrar of Banks

The previous directive issued was Directive 2/2016, dated 13 April 2016.