

Ref.: 15/8/1/3

D5/2026

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

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

Withdrawal of previously issued specified directives

Executive summary

In terms of section 6(6)(c) of the Banks Act, 1990 (Act No. 94 of 1990) (Banks Act), the Prudential Authority (PA) may – after consultation with the relevant bank, controlling company, representative office, eligible institution or auditor of a bank or controlling company (hereinafter collectively referred to as ‘banks’) – cancel, in writing, a Directive previously issued under the Banks Act.

Following certain legislative, regulatory and supervisory developments, some previously issued Directives have become redundant or have had their requirements incorporated into a prevailing regulatory framework.

This Directive sets out the relevant details related to specified Directives that will be withdrawn.

1. Introduction

- 1.1 Section 6(6)(a) of the Banks Act prescribes that the PA may – after consultation with the relevant bank, controlling company, representative office, eligible institution or auditor of a bank or controlling company (hereinafter collectively referred to as ‘banks’) – issue a Directive to such a bank, either individually or collectively, regarding the application of the Banks Act.
- 1.2 The PA has issued a number of Directives in terms of section 6(6)(a) of the Banks Act. All issued Directives remain effective until they are withdrawn, in writing, by the PA in terms of section 6(6)(c) of the Banks Act.
- 1.3 The Directives listed in paragraph 2 below have been withdrawn in terms of section 6(6)(c) of the Banks Act.

2. Directives withdrawn in terms of the Banks Act

	Directive	Brief details	Reason for withdrawal
2.1	Directive 2/2011	Report daily value-at-risk amounts for market risk using specified items of the form BA 325	Banks are not subject to the market risk metrics referenced in Directive 2/2011, as these metrics are no longer applicable under the revised market risk framework. Furthermore, form BA325 is not utilised for the collection of market risk data from banks with effect from 1 July 2025.
2.2	Directive 10/2015	Matters related to changes to the AMA operational risk management and measurement system used for the calculation of required capital for operational risk	The Advanced Measurement Approach (AMA), the Standardised Approach (TSA), the Alternative Standardised Approach (ASA) and the Basic Indicator Approach (BIA) for calculating required capital for operational risk have been replaced by a single approach, namely the New Standardised Approach, in the amended Regulations relating to Banks (Regulations), implemented with effect from 1 July 2025.
2.3	Directive 7/2020	Calculation of derivative exposure amount for the purposes of determining the leverage ratio	The provisions of Directive 7/2020 have been incorporated into regulation 38(15)(e)(v)(B) of the amended Regulations, implemented with effect from 1 July 2025.
2.4	Directive 6/2021	Matters related to the use of credit risk models to calculate minimum required capital and reserve funds for specialised lending exposures relating to project finance portfolios	Banks are subject to the revised credit risk requirements as implemented through amendments to the Regulations, read with Directive 12/2025, which provide for a phased approach to the implementation of the credit risk regulatory framework insofar as it relates to regulatory capital models. Directive 12/2025 specifies the implementation of parameter floors at go-live and provides for a monitoring period ending December 2025. The PA is currently receiving formal attestations regarding compliance with the revised requirements.

3. Directive

- 3.1 Based on the aforesaid, and in accordance with the provisions of section 6(6)(c) of the Banks Act, banks are hereby directed to note that the Directives listed in paragraph 2 have been withdrawn.

4. Acknowledgement of receipt

- 4.1 Kindly ensure that a copy of this Directive is made available to your institution's external auditors. In addition, 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 signatories.

Fundi Tshazibana

Fundi Tshazibana
Chief Executive Officer

Date: 09/10/26

The previous Directive issued was Directive 4/2026, dated 9 July 2026.