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**DRAFT FOR PUBLIC CONSULTATION**

**Questionnaire**

**Assessment of the expected impact of the draft Prudential Standards for Co-operative Financial Institutions (CFIs) and Co‑operative Banks**

The Prudential Authority (PA) is proposing draft standards which outline requirements for governance and risk management for Co-operative Financial Institutions (CFIs) and Co-operative Banks. As part of the process for making standards in terms of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017), the PA is also expected to publish a statement of the expected impact of the Standard(s) under consideration. Against this background, the information is being gathered in order to ascertain the expected impact of the proposed requirements on the sector.

The responses to the questionnaire will be anonymised and used to assess the expected impact of the proposed requirements. The set of Standards aim to address matters related to the financial soundness; governance; risk management; and registration and operational requirements for CFIs and Co‑operative banks.

This Questionnaire is related to:

* **Prudential Standard – Governance requirements for Co-operative Financial Institutions (CFIs) and Co-operative Banks**
* **Prudential Standard – Risk management requirements for Co-operative Financial Institutions (CFIs) and Co‑operative Banks**

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| **Information on responding institution** | |
| **Name of institution** |  |
| **Name and position of respondent** |  |
| **Type of institution** |  |

**PART 1: GENERAL QUESTIONS**

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| * 1. **What procedures are in place to assist management identify, monitor and manage the risks that arise out of activities of the CFI or Co-operative Bank?** |
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| * 1. **What risk management systems are used by the Supervisory or Audit Committee of the CFI or Co-operative Bank to identify, monitor and manage material risks arising from of its activities?** |
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| * 1. **How frequently are the governance and risk management and internal control policies and procedures reviewed and updated by management? How does the CFI or Co-operative Bank assess the effectiveness of the policies and related procedures?** |
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**PART 2: CURRENT AND EXPECTED CHANGES IN OVERALL COSTS**

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| * 1. **How will the proposed standards impact on your organisation or operations in terms of costs? What do you see as the main drivers of costs or risks to the organisation?** |
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| * 1. **Overall, what are the anticipated additional costs (e.g. staffing, systems, processes, contracts etc.) to implementing the requirements in your organisation? What particular aspects of the proposed framework will increase either costs or risks to the operations of the business?** |
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| * 1. **Do you anticipate that the costs of compliance with the requirements will have an impact on the institution’s ability to comply with other prudential or conduct requirements imposed on the CFI or Co-operative bank? If so, how will the costs or risks identified above be managed or minimised?** |
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| * 1. **Do you consider impact of the additional costs to your organisation to be high, medium or low? Please give reasons** |
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| * 1. **To what extent will the costs impact the depositors and members of the institution? How will the costs or risks to depositors be managed or minimised?** |
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| * 1. **What other challenges do you foresee in relation to compliance with the proposed standards?** |
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**PART 3: EXPECTED BENEFITS**

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| * 1. **What do you see as the main benefits of the proposed requirements for your organisation and operations?** |
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| * 1. **Do you consider impact of the additional benefits to your organisation to be high, medium or low? Please provide reasons** |
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| * 1. **Are there any additional matters of compliance with the proposed standards that you wish to bring to the attention of the PA?** |
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