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SOUTH AFRICAN RESERVE BANK
Prudential Authority

Ref.: 15/8/1/3

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

Proposed Directive issued in terms of section 6(6) of the Banks Act 94 of 1990

Returns to be submitted to the Prudential Authority

Executive summary

The Financial Sector Regulation Act 9 of 2017 (FSRA) read with the Banks Act 94 of 1990 (Banks Act) provides for the Prudential Authority (PA) to make prudential standards and determinations for financial institutions in respect of various matters, including matters in respect of which regulations may be prescribed in terms of the Banks Act.

On 12 April 2024, the PA issued a proposed Directive to all banks, controlling companies, branches of foreign institutions, eligible institutions, and auditors of banks or controlling companies, informing all interested persons that, to facilitate and support the work related to the Umoja System Implementation Project, the PA decided, among others, to propose the deletion from the Regulations relating to Banks (Regulations) of all the Banks Act returns (BA returns) and the related instructions for the completion of the BA returns. In future, all BA returns and the related instructions for the completion of the respective BA returns will be issued in the form of Directives or determinations issued under Prudential Standards.

Accordingly, this proposed Directive directs banks, controlling companies, and branches of foreign institutions (hereinafter collectively referred to as 'banks') to complete and submit specified financial, risk-based, and other related returns to the PA in accordance with the requirements specified in this proposed Directive.

All banks, eligible institutions, auditors of banks, and other interested persons are invited to submit their comments on this proposed Directive, and the proposed implementation date of 1 January 2025, by no later than 21 October 2024.

1. Introduction

1.1 Sections 105 and 108 of the FSRA, read with the Banks Act, makes provision for the PA to make prudential standards and determinations for financial institutions in respect of various matters, including matters in respect of which regulations may be prescribed in terms of the Banks Act.

1.2 Towards the end of 2023, as an integral part of the Umoja System Implementation Project[1], the Umoja team commenced engaging various key interested persons in respect of regulatory return developments and the submission of returns to the PA in future.

1.3 On 12 April 2024, the PA issued a proposed Directive[2] informing all interested persons that, to facilitate and support the ongoing work related to the Umoja System Implementation Project, the PA decided:

1.3.1 to recommend the deletion from the Regulations of all the BA returns and the related instructions for the completion of the respective BA returns.

1.3.2 to propose the simultaneous issuance of all the BA returns and the related instructions for the completion of the respective BA returns in the form of Directives issued in terms of the Banks Act and/ or determinations issued under Prudential Standards in terms of the FSRA.

2. Directive

2.1 Based on the aforesaid and in accordance with the provisions of section 6(6) of the Banks Act, banks are hereby directed to complete and submit the respective financial, risk-based, and other returns specified in this proposed Directive to the PA in accordance with the requirements specified below:

2.1.1 A bank shall submit to the PA the respective financial, risk-based, and other returns specified in Annexure 1A of this proposed Directive, in accordance with the respective requirements specified in Annexures 1A read with the relevant requirements specified in the Regulations.

2.1.2 As specified in regulation 4 of the Regulations, read with the relevant requirements specified in Annexure 1A of this proposed Directive, every set of returns submitted to the PA shall be accompanied by a duly completed, signed, and certified:

2.1.2.1 form BA 099, attached to this proposed Directive as Annexure 1B, in the case of returns submitted to the PA by a bank or controlling company.

2.1.2.2 form BA 099A, attached to this proposed Directive as Annexure 1C, in the case of a return submitted to the PA in respect of any relevant foreign operation.

2.1.3 A bank shall complete the form BA 100, attached to this proposed Directive as Annexure 2A, in accordance with the requirements specified in Annexure 2B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.4 A bank shall complete the form BA 110, attached to this proposed Directive as Annexure 3A, in accordance with the requirements specified in Annexure 3B of this proposed Directive read with the relevant requirements specified in the Regulations.

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[1] Umoja is a system development project for a digital interface between the PA and regulated institutions aimed at providing a more integrated, efficient, and transparent operating model.

[2] Available online: Proposed Directive - Proposed amendments to Regulations

2.1.5 A bank shall complete the form BA 120, attached to this proposed Directive as Annexure 4A, in accordance with the requirements specified in Annexure 4B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.6 A bank shall complete the form BA 125, attached to this proposed Directive as Annexure 5A, in accordance with the requirements specified in Annexure 5B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.7 A bank shall complete the form BA 130, attached to this proposed Directive as Annexure 6A, in accordance with the relevant requirements specified in the Regulations.

2.1.8 A bank shall complete the form BA 200, attached to this proposed Directive as Annexure 7A, in accordance with the requirements specified in Annexure 7B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.9 A bank shall complete the form BA 210, attached to this proposed Directive as Annexure 8A, in accordance with the requirements specified in Annexure 8B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.10 A bank shall complete the form BA 220, attached to this proposed Directive as Annexure 9A, in accordance with the requirements specified in Annexure 9B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.11 A bank shall complete the form BA 300, attached to this proposed Directive as Annexure 10A, in accordance with the requirements specified in Annexure 10B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.12 A bank shall complete the form BA 310, attached to this proposed Directive as Annexure 11A, in accordance with the requirements specified in Annexure 11B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.13 A bank shall complete the form BA 320, attached to this proposed Directive as Annexure 12A, in accordance with the relevant requirements specified in the Regulations.

2.1.14 A bank shall complete the form BA 325, attached to this proposed Directive as Annexure 13A, in accordance with the requirements specified in Annexure 13B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.15 A bank shall complete the form BA 330, attached to this proposed Directive as Annexure 14A, in accordance with the requirements specified in Directive 2 of 2023 read with the relevant requirements specified in the Regulations.

2.1.16 A bank shall complete the form BA 340, attached to this proposed Directive as Annexure 15A, in accordance with the requirements specified in Annexure 15B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.17 A bank shall complete the form BA 350, attached to this proposed Directive as Annexure 16A, in accordance with the requirements specified in Annexure 16B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.18 A bank shall complete the form BA 400, attached to this proposed Directive as Annexure 17A, in accordance with the requirements specified in Annexure 17B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.19 A bank shall complete the form BA 410, attached to this proposed Directive as Annexure 18A, in accordance with the requirements specified in Annexure 18B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.20 A bank shall complete the form BA 500, attached to this proposed Directive as Annexure 19A, in accordance with the requirements specified in Annexure 19B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.21 A bank shall complete the form BA 600, attached to this proposed Directive as Annexure 20A, in accordance with the requirements specified in Annexure 20B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.22 A bank shall complete the form BA 610, attached to this proposed Directive as Annexure 21A, in accordance with the relevant requirements specified in the Regulations.

2.1.23 A bank shall complete the form BA 700, attached to this proposed Directive as Annexure 22A, in accordance with the requirements specified in Annexure 22B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.24 A bank shall submit to the PA and the Economic Statistics Department of the South African Reserve Bank such returns specified in Annexure 23A, in accordance with the respective requirements specified in Annexure 23A read with the relevant requirements specified in the Regulations.

2.1.25 A bank shall complete the form BA 900, attached to this proposed Directive as Annexure 24A, in accordance with the requirements specified in Annexure 24B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.26 A bank shall complete the form BA 920, attached to this proposed Directive as Annexure 25A, in accordance with the requirements specified in Annexure 25B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.27 A bank shall complete the form BA 930, attached to this proposed Directive as Annexure 26A, in accordance with the requirements specified in Annexure 26B of this proposed Directive read with the relevant requirements specified in the Regulations.

2.1.28 A bank shall complete the form BA 940, attached to this proposed Directive as Annexure 27A, in accordance with the requirements specified in Annexure 27B of this proposed Directive read with the relevant requirements specified in the Regulations.

3. Implementation date

3.1 Banks must comply with the respective requirements specified in this proposed Directive with effect from 1 January 2025.

4. Invitation for comment

4.1 All banks and other interested persons are invited to submit their comments on this proposed Directive, including the proposed implementation date of 1 January 2025, to: SARB-PA@resbank.co.za, for the attention of Mr A J Smal, by no later than 21 October 2024.

Fundi Tshazibana

Fundi Tshazibana
Chief Executive Officer

Date: 12-Sep-2024

Encl.: 50