

Ref.: 15/8/1/3

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

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

**South African domestic systemically important banks (D-SIBs) to submit consolidated information**

### **Executive summary**

This proposed Directive serves to inform all banks, branches of foreign institutions, controlling companies, eligible institutions and auditors of banks or controlling companies of further requirements applicable to South African D-SIBs. These additional requirements relate to the submission of credit-related statutory Banks Act returns (BA returns), based on consolidated information and specified assurance requirements.

This proposed Directive is intended to replace Directive 6 of 2023, dated 28 July 2023.

## **1. Introduction**

- 1.1 Globally, the overall scope of the Basel framework is applied to internationally active banks at every tier within the banking group, on a consolidated basis. Consequently, all information required for international reviews and analysis in respect of the South African banking sector relates to consolidated information. Therefore, the Prudential Authority (PA) requires South African D-SIBs to report credit-related information on a consolidated basis at bank and controlling company level.
- 1.2 Notwithstanding previous amendments to the Regulations relating to Banks (Regulations) issued and implemented, further proposed amendments to the Regulations related to the Basel III post-crisis reforms impact the measurement of credit risk as reported on the forms BA 200 and BA 210.
- 1.3 On 25 April 2024, a proposed Directive<sup>1</sup> for the completion of the form BA 200 and a proposed Directive<sup>2</sup> for the completion of the form BA 210 were published by the PA, incorporating the proposed amendments to the Regulations as a result of the Basel III post-crisis reforms.

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<sup>1</sup> Available at: [Proposed Directive-BA 200](#)

<sup>2</sup> Available at: [Proposed Directive-BA 210](#)

## 2. Proposed Directive

- 2.1 Based on the aforesaid information, and in terms of the provisions of section 6(6) of the Banks Act 94 of 1990 (Banks Act), D-SIBs are hereby directed, as follows:
- 2.1.1 Submit the credit-related statutory BA 200 and BA 210 returns semi-annually, based on consolidated information, at bank and controlling company level.
- 2.1.2 D-SIBs with year-ends other than June or December must submit additional statutory BA 200 and BA 210 returns based on consolidated information at bank and controlling company level as at the D-SIB's year-end.
- 2.1.3 The required BA returns must be submitted six-monthly<sup>3</sup>, based on a calendar year (i.e. end-June and end-December data of each year, using a six-month comparative period) within 30 business days immediately following the period to which the return relates.
- 2.1.4 The comparative period to be used for D-SIBs with year-ends other than June or December in respect of the additional statutory BA 200 and BA 210 returns based on consolidated information at bank and controlling company level as at the D-SIB's year-end must be the preceding six-month return submitted (i.e. June or December, whichever precedes the D-SIB's year-end).
- 2.1.5 Comply with the respective requirements specified in this proposed Directive.
- 2.2 The respective requirements and interpretations for the completion of the forms BA 200 and BA 210 are specified in regulation 23 and regulation 24 of the Regulations, and must be read with the proposed Directive for the completion of the form BA 200 and the proposed Directive for the completion of the form BA 210 (once published as final directives and any updates that may be published from time-to-time).
- 2.3 The certification and rendition of the required returns shall comply with the respective requirements specified in regulation 4 of the Regulations.
- 2.4 In line with regulation 6 of the Regulations, the required returns shall be submitted electronically and shall include the forms BA 200 and BA 210 on a controlling company consolidated level and a bank consolidated level respectively.
- 2.5 Not all line items on the consolidated forms BA 200 and BA 210 are mandatory. The following table outlines the line items that are not mandatory in the submission of the required consolidated BA returns:

Statutory BA returns	Line items that are not mandatory
BA 200 <sup>4</sup>	125 to 140, 147, 264 to 350
BA 210 <sup>5</sup>	1 to 25, 51 to 85, 160 to 166, 168, 176 to 203, 232 to 266, 341 to 347, 349 to 496

<sup>3</sup> D-SIBs with year-ends other than June or December shall submit the required additional BA returns as indicated hereinbefore within 30 business days immediately following their year-ends.

<sup>4</sup> The line items that are not mandatory are based on the [BA 200 Proposed Directive](#) as published on 25 April 2024.

<sup>5</sup> The line items that are not mandatory are based on the [BA 210 Proposed Directive](#) as published on 25 April 2024

- 2.6 All D-SIBs must comply with the respective requirements specified in this proposed Directive for reporting periods ending on or after 31 December 2025.

### **3. Audit reports**

- 3.1 The reports on the forms BA 200 and BA 210 on a bank and controlling company consolidated level shall be based on procedures included in the Regulation 46 Independent Regulatory Board for Auditors template report, which have been agreed on by the PA, external auditors and D-SIBs, performed in line with the respective requirements specified in regulation 46(2)(b) of the Regulations.
- 3.2 Where the forms BA 200 and BA 210 on a bank and controlling company consolidated level submitted in terms of this proposed Directive coincide with the period ending as at the reporting D-SIB's year-end, the said BA returns shall instead be audited, reviewed or concluded under a limited assurance framework in line with the respective requirements specified in regulation 46(6) of the Regulations read with any relevant Directive issued in terms of section 6(6) of the Banks Act.

### **4. Proposed implementation date**

- 4.1 The respective requirements specified in this proposed Directive shall be effective from the proposed implementation dates specified in Guidance Note 3/2023 and any other subsequent guidance note which may replace Guidance Note 3/2023.

### **5. Invitation for comment**

- 5.1 All interested persons are hereby invited to submit their comments on the proposed Directive to [SARB-PA@resbank.co.za](mailto:SARB-PA@resbank.co.za) and [RSD-CreditRisk@resbank.co.za](mailto:RSD-CreditRisk@resbank.co.za), for the attention of Mr Eric Sithole, by no later than 16 April 2025.

Fundi Tshazibana  
**Chief Executive Officer**

Date: