

**LEVIES PROPOSAL
IN TERMS OF SECTION 239(1)(b)
OF THE FINANCIAL SECTOR REGULATION ACT**

The Prudential Authority hereby proposes levies in the form of proposed amendments to Schedule 1 below of the Financial Sector and Deposit Insurance Levies Act, 2022 (Act No. 11 of 2022). This is in terms of section 239(1)(b) of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017).

SCHEDULE 1

**FINANCIAL SECTOR LEVY CALCULATION FOR SUPERVISED ENTITIES IN RESPECT OF
PRUDENTIAL AUTHORITY**

(Section 4(1)(b))

1. Application

Table A must be applied to calculate the levy payable by a supervised entity that is-

- (a) a bank or a branch;
- (b) a co-operative bank;
- (c) a mutual bank;
- (d) a non-life insurer;
- (e) a life insurer;
- (f) Lloyd's;
- (g) a microinsurer;
- (h) an exchange;
- (i) a central securities depository;
- (j) an independent clearing house;
- (k) an associated clearing house;
- (l) a central counterparty;
- (m) an external central counterparty;
- (n) a trade repository;
- (o) an external trade repository;
- (p) an over-the-counter derivative provider;
- (q) the Road Accident Fund.

2. Alleviation of double levy payment in respect of clearing house

A clearing house that is approved in terms of section 110(6) of the Financial Markets Act to perform the functions of a central counterparty or a licensed independent clearing house who

is also licensed as a central counterparty is liable to pay the levy applicable to a central counterparty, but is not liable to pay the levy applicable to an associated clearing house or an independent clearing house.

3. Levy payment in respect of reinsurer

A reinsurer that is licensed under the Insurance Act for-

- (a) non-life insurance business only, must pay the levy as if that reinsurer was a non-life insurer;
- (b) life insurance business, must pay the levy as if that reinsurer was a life insurer; or
- (c) both life insurance business and non-life insurance business, must pay the levy separately for the life insurance business and non-life insurance business.

TABLE A

Type of supervised entity	Number of payments per levy year	Proposed Base Amount (Rands) 2026/27	Proposed Base Amount (Rands) 2027/28	% Change	Proposed Variable Amount(s) (Rands) 2026/27	Proposed Variable Amount(s) (Rands) 2027/28	% Change	Proposed Maximum (Rands) 2026/27	Proposed Maximum (Rands) 2027/28	% Change
Bank or branch	One	57,103	59,216	3.70%	0.01213%	0.01258%	3.70%	51,392,362	53,293,879	3.70%
Co-operative bank	One	1,142	1,184	3.70%	0.0057%	0.0059%	3.70%	5,710	5,921	3.70%
Mutual bank	One	2,284	2,369	3.70%	0.0057%	0.0059%	3.70%	571,026	592,154	3.70%
Non-life Insurer and Lloyd's	One	14,276	14,804	3.70%	0.1770%	0.1835%	3.70%	17,130,787	17,764,626	3.70%
					0.0537%	0.0557%				
Life insurer	One	57,103	59,216	3.70%	0.00286%	0.00297%	3.70%	34,261,574	35,529,252	3.70%
Microinsurer (life insurance business only, non-life insurance business only, both life insurance business and non-life insurance business or reinsurance business)	One	5,710	5,921	3.70%	0.1160%	0.1203%	3.70%	571,026	592,154	3.70%
					0.0351%	0.0364%				
Exchange	Four	57,103	59,216	3.70%	0.000026%	0.000027%	3.70%	2,855,131	2,960,771	3.70%
Central securities depository	Four	114,205	118,431	3.70%	0.0000069%	0.0000072%	3.70%	1,713,079	1,776,463	3.70%
Independent clearing house	Four	114,205	118,431	3.70%	0.000137%	0.0001419%	3.70%	1,713,079	1,776,463	3.70%
Associated clearing house	Four	114,205	118,431	3.70%	0.0000057%	0.0000059%	3.70%	571,026	592,154	3.70%

Central counterparty	Four	114,205	118,431	3.70%	0.000137%	0.000142%	3.70%	3,426,157	3,552,925	3.70%
External central counterparty	Four	114205	118,431	3.70%	Not applicable	Not applicable		Not applicable	Not applicable	
Trade repository	Four	28551	29,607	3.70%	Not applicable	Not applicable		Not applicable	Not applicable	
External trade repository	Four	28551	29,607	3.70%	Not applicable	Not applicable		Not applicable	Not applicable	
Over-the-counter derivative provider	One	57103	59,216	3.70%	Not applicable	Not applicable		Not applicable	Not applicable	
Road Accident Fund	One	114205	118,431	3.70%	Not applicable	Not applicable		Not applicable	Not applicable	