

JOINT COMMUNICATION 4 OF 2025

Publication of Joint Standard 1 of 2025: Criteria for the exemption of an external central counterparty or external trade repository from the provisions of the Financial Markets Act (FMA)

1. PURPOSE

The purpose of this communication is to inform stakeholders that today the Financial Sector Conduct Authority (FSCA) and the Prudential Authority (PA) (collectively referred to as the Authorities) have published the following documents:

- 1.1 Joint Standard 1 of 2025: Criteria for the exemption of an external central counterparty or external trade repository from the provisions of the FMA (Joint Standard),
 - 1.2 Statement of Need, Expected Impact and Intended Operation supporting the Joint Standard, and
 - 1.3 Consultation Report.
- 1.2 The Joint Standard brings into operation a component of Phase 2 of the *Joint Roadmap for the development of a regulatory framework for central clearing in South Africa*¹ (Joint Roadmap). Phase 2 of the development of the regulatory framework for central clearing includes the development of an exemption framework for external central counterparties (CCPs) or external trade repositories (TRs) that may wish to operate in South Africa.

2. BACKGROUND AND OBJECTIVE OF THE JOINT STANDARD

- 2.1 On 1 November 2023, the Authorities published the draft *Joint Standard: Criteria for the exemption of an external central counterparty or external trade repository from the provisions of the Financial Markets Act*.² Industry stakeholders provided input on the draft Joint Standard and the Authorities have responded to all comments received as set out in the accompanying consultation report.
- 2.2 The Joint Standard prescribes criteria that must be met by an external CCP or external TR when applying to be exempted from a provision of the Financial Markets Act, 2012 (Act No 19 of 2012) (FMA). The Joint Standard enables an external CCP or external TR from a foreign jurisdiction whose regulatory framework has been determined as equivalent to the regulatory framework in South Africa (in accordance with the Equivalence Framework for Financial Markets)³ to apply to be exempted from a provision of the FMA relating to the requirements to be licensed in terms of the FMA. An external CCP or external TR that applies for an exemption will need to demonstrate, as part of such an application, that it meets the criteria set out in the Joint Standard, as well as the requirements set out in section 6(3)(m) of the FMA.
- 2.3 The Authorities published the draft Joint standard and its accompanying documentation for formal public consultation as required by section 98 of the Financial Sector Regulation Act, 2017 (Act No 9 of 2017) (FSR Act), and all the documents were subsequently tabled in Parliament. The process was concluded, and the final Joint Standard is now being made in

¹ Accessible on the FSCA website at: [Joint Roadmap for mandating central clearing in South Africa](#)

² For details on the consultation on the Joint Standard see: [draft Joint Standard - Criteria for exemption of external CCP & external TR from provisions of FMA](#)

³ The Equivalence Framework for financial markets is available on the FSCA website at www.fsca.co.za.

terms of section 107 of the FSR Act read with section 6(3)(m)(iii)(bb) of the FMA.

3. Availability of Documents and Enquiries

- 3.1 The documents referred to in this Joint Communication are available on the FSCA's website at www.fsca.co.za and on the PA's website at www.resbank.co.za.
- 3.2 For more information regarding this Joint Communication and the Joint Standard, please contact the Regulatory Frameworks Department of the FSCA at fsca.rfdstandards@fsca.co.za and the Policy, Statistics, and Industry Support Department of the PA at PA-Standards@resbank.co.za.



Unathi Kamlana

Commissioner

FINANCIAL SECTOR CONDUCT AUTHORITY

DATE: 02 October 2025

Fundi Tshazibana

Chief Executive Officer

PRUDENTIAL AUTHORITY

DATE: 02 October 2025