



SOUTH AFRICAN RESERVE BANK

Financial Stability Oversight Committee

Establishment of Financial Stability Oversight Committee

20. (1) A committee called the Financial Stability Oversight Committee is hereby established.

(2) The primary objectives of the Financial Stability Oversight Committee are to—

(a) support the Reserve Bank when the Reserve Bank performs its functions in relation to financial stability; and

(b) facilitate co-operation and collaboration between, and co-ordination of action among, the financial sector regulators and the Reserve Bank in respect of matters relating to financial stability.

Functions of Financial Stability Oversight Committee

21. The Financial Stability Oversight Committee has the following functions:

(a) To serve as a forum for representatives of the Reserve Bank and of each of the financial sector regulators to be informed, and to exchange views, about the activities of the Reserve Bank and the financial sector regulators regarding financial stability;

(b) to make recommendations to the Governor on the designation of systemically important financial institutions;

(c) to advise the Minister and the Reserve Bank on—

(i) steps to be taken to promote, protect or maintain, or to manage or prevent risks to, financial stability; and

(ii) matters relating to crisis management and prevention;

(d) to make recommendations to other organs of state regarding steps that are appropriate for them to take to assist in promoting, protecting or maintaining, or managing or preventing risks to financial stability; and

(e) any other function conferred on it in terms of applicable legislation.

Membership

22. (1) The Financial Stability Oversight Committee consists of the following members:

(a) The Governor;

(b) the Deputy Governor responsible for financial stability matters;

(c) the Chief Executive Officer;

(d) the Commissioner;

(e) the Chief Executive Officer of the National Credit Regulator;

(f) the Director-General;

(g) the Director of the Financial Intelligence Centre; and

(h) a maximum of three additional persons appointed by the Governor.

(2) A member of the Financial Stability Oversight Committee referred to in terms of subsection (1)(h) holds office for the period, and on the terms, determined by the Governor.

Administrative support by Reserve Bank

23. (1) The Reserve Bank must provide administrative support, and other resources, including financial resources, for the effective functioning of the Financial Stability Oversight Committee.

(2) The Reserve Bank must ensure that minutes of each meeting of the Financial Stability Oversight Committee are kept in a manner determined by the Governor.

Meetings and procedure

24. (1) The Financial Stability Oversight Committee must meet at least every six months.

(2) The Governor—

(a) may convene a meeting of the Financial Stability Oversight Committee at any time; and

(b) must convene a meeting if requested to do so by the Chief Executive Officer, the Commissioner or the Chief Executive Officer of the National Credit Regulator.

(3) (a) The Governor chairs a meeting of the Financial Stability Oversight Committee at which the Governor is present.

(b) If the Governor is not present at a meeting, the Deputy Governor responsible for financial stability matters chairs the meeting.

(4) (a) A member of the Financial Stability Oversight Committee who is unable to attend a meeting may, after notice to the other members and with the concurrence of the person who will chair the meeting, nominate an alternate to attend that meeting in the member's absence.

(b) An alternate referred to in paragraph (a) has, for that meeting, the same rights as the member of the Financial Stability Oversight Committee.

(5) The Financial Stability Oversight Committee may determine its procedures, including quorum requirements.

(6) The person chairing a meeting may invite any person, including a representative of an organ of state or a financial institution, to attend the meeting.

(7) The Financial Stability Oversight Committee may establish separate working groups or subcommittees.

(8) In the event of an equality of votes on a matter that may be voted upon by the Financial Stability Oversight Committee, the person chairing a meeting has a casting vote in addition to a deliberative vote.