South African Reserve Bank

National Payment System Department

Consultation Paper

Processing of Payments in South Africa

November 2018

Contents

1. BACKGROUND AND INTRODUCTION

1.1. In terms of section 10(1)(c) of the South African Reserve Bank Act 90 of 1989, as amended (SARB Act), the South African Reserve Bank (SARB) is required to perform such functions, implement such rules and procedures and, in general, take such steps as may be necessary to establish, conduct, monitor, regulate and supervise payment, clearing or settlement systems. Furthermore, the National Payment System Act 78 of 1998 (NPS Act) provides for the management, administration, operation, regulation and supervision of payment, clearing and settlement systems in the Republic of South Africa, and to provide for connected matters.

1.2. The national payment system (NPS) encompasses the entire payment process, from payer to beneficiary, and includes settlement between banks. The process includes all the tools, systems, mechanisms, institutions, agreements, procedures, rules or laws applied or utilised to effect payment. The NPS enables the circulation of money, that is, it enables transacting parties to exchange value. The NPS further contributes to the economy and financial stability in South Africa (SA).

1.3. The NPS Act defines a payment instruction as an instruction to transfer funds or make a payment. A payment instruction goes through the following main stages:

1.3.1. **Authorisation**[1]: The approval or consent given by a Financial Market Infrastructure participant (or third-party acting on behalf of that participant) in order to conduct a transaction, for example, transfer funds.

1.3.2. **Clearing**: The exchange of payment instructions as defined by the NPS Act. The Bank for International Settlements (BIS) further defines clearing as the process of transmitting, reconciling and, in some cases, confirming transactions prior to settlement, potentially including the netting of transactions and the establishment of final positions for settlement.

[1] BIS glossary

1.3.3. **Settlement**: The discharge of settlement obligations as defined by the NPS Act. The BIS further defines settlement as the discharge of an obligation in accordance with the terms of the underlying contract.

1.4. A payment instruction can either be processed through a retail payment system[2] (a funds transfer system that typically handles a large volume of relatively low-value payments in such forms as cheques, credit transfers, direct debits and card payment transactions.) or a large-value payment system (a funds transfer system that typically handles large-value and high-priority payments).

1.5. Processing in this document means the authorisation and clearing of transactions as defined above.

1.6. The majority of NPS transactions are processed through the retail payment systems, such as automated clearing houses (payment clearing house system operators (PCH SOs)) and card schemes, which are used mainly to process transactions for the purchase for goods and services, bill payments, person-to-person payments and cash withdrawals. These retail payment systems are essential to the economy as they facilitate the circulation of money and boost trade of goods and services. Any dysfunction of these systems may impact the financial stability of the country. Hence, it is important for the SARB to implement appropriate regulation, oversight and supervision frameworks in relation to these systems.

1.7. In the SARB's oversight role of monitoring retail payment system in SA, some shortcomings in relation to the aspect of the processing of retail payments have been identified. Over the last few years, some participants migrated the processing of card transactions to offshore processors. This phenomenon may also occur in other payment streams. The processing of retail payment systems is core and critical to the smooth functioning of the

[2] BIS glossary

NPS, and the broader economy. Further, there are potential sovereign / geopolitical and financial stability risks to SA from sole reliance on offshore processing of domestic transactions. For purposes of this document, domestic transactions mean transactions executed for the purchase of goods or services in SA using a domestically issued instrument and acquired by a domestic acquirer.

1.8. To mitigate the potential risks stated in 1.7 above, the SARB initiated the following actions:

1.8.1. **Issuance of a notice in 2013:** The SARB, through the National Payment System Department (NPSD) issued a notice advising the Payments Association of South Africa (PASA) card clearing members to consult the NPSD prior to migrating the processing of their card transactions to offshore processors. At the time of the issuance of the notice, some banks had already migrated their processing offshore.

1.8.2. **Imposition of a moratorium in 2018:** In June/July 2018, the SARB took a decision to impose a moratorium on plans to migrate the processing of card transactions offshore. The moratorium is in place until such time that an appropriate policy position has been adopted.

1.8.3. **Stakeholder engagement**: The matter relating to processing of transactions offshore was further discussed with the Banking Association South Africa (BASA). The SARB also engaged with a number of other stakeholders to understand the processes and issues related to the migration of card transactions. BASA and PASA members were requested to provide proposals on how the risks related to the migration issue may be adequately addressed in the best interest of the NPS. Other relevant regulatory authorities were also engaged on this matter.

1.9. The SARB is thus developing a policy position and regulatory framework on transaction processing in SA, and in particular authorisation and clearing of transactions. The policy position will entrench the objectives of a sound, safe and efficient NPS.

2. PURPOSE AND SCOPE

2.1 The purpose of this document is to:

2.1.1 Outline the SARB's policy position on the processing of payment instructions/transactions through retail payment systems in SA.

2.1.2 The scope will cover retail transactions in the payment streams such as card, electronic funds transfer (EFT) debit and credit and real-time retail payments.

3. PROBLEM STATEMENT

The consultation paper seeks to address the following issues as they relate to the processing of a payment instruction/transaction through a retail payment system in SA:

3.1 **Offshore processing of domestic transactions and the potential impact thereof** - Processing of retail transactions whether card purchases, EFTs, or ATM transactions is core to the safety, integrity and efficiency objectives of the NPS. EFTs, cheques, etc. are currently processed through infrastructure located domestically. Card transactions, on the other hand, may either be processed domestically or offshore. Migration of 100% processing of transactions offshore will result in loss of domestic processing capability which may pose certain risks.

3.2 **The potential geopolitical/sovereign impact of domestic transaction processing offshore –** The SARB strives to ensure that core activities in the NPS are not disrupted and continue to be available, stable and efficient. Sole reliance on foreign owned processors may expose SA to potential business continuity risks and in the worst case withdrawal of services/activities for geopolitical reasons. Therefore, SA should put in place mitigation measures to manage such risks.

3.3 **Addressing market structure issues in the processing environment** - The current domestic retail payment processing market in SA is oligopolistic in nature. The market is dominated by three processors with huge influence over price and other aspects of the market. Once a participant has committed to issuing cards branded by one of the card schemes – who is also the processor of those transactions, a move to a competing scheme would involve high costs and customer disruptions. Another complication that arises from the current market structure is that in the EFT and other non-card related environment, the local processor is a monopoly and determines the processing prices and access to the services along with the PSMB. In this case, it is important that a level playing field is created/facilitated by the SARB, in relation to access, competition and activity based regulation.

3.4 **Possible misalignment between the issuer-decides principle and sovereign and regulatory objectives** – In terms of Section 9 of the PASA Interbank Rules, Card Debit Payment Instructions and Card Credit Payment Instructions, the issuer decides where to process transactions. The issue with this principle is that it provides the issuer with unfettered discretion to process the transactions based mainly on commercial arrangements, particularly in the environment where the regulator has not reserved a right to intervene in the national interest or to protect/enhance the objectives of safety and efficiency of the NPS. The question is whether the issuer decides principle is best suited to take care of public interest.

3.5 **There is no regulatory requirement for processing infrastructure to be set-up locally** – The current entry/licensing/authorisation framework does not require processors to have domestic presence and set-up operating infrastructures in SA. This may expose SA to operational risks where processing infrastructures located offshore are disrupted or where, due to geopolitical risks, the offshore processor's services are withdrawn from SA at short notice. The SARB should be able to set appropriate standards for infrastructure and exercise appropriate oversight and supervision of the infrastructure through effective on-site visits, audits and inspections, as well as set licensing conditions for operators.

4. POLICY OBJECTIVES AND GOALS

The following are the key policy objectives and goals of the proposals:

4.1 Sovereignty

The offshore switching and processing of domestic retail payment transactions in the card, EFT, and other streams could potentially lead to loss of domestic processing capability, exposing SA to potential business continuity risks and financial instability. This may be the case where the offshore processor unexpectedly withdraws processing for geopolitical or other reasons**.** Domestic processing capability offers the necessary sovereign protections and ensures that the interests of SA citizens and the economy are served at all times.

4.2 Achievement of Vision 2025 goals

The National Payment System Framework and Strategy - *Vision 2025,* outline nine goals[3]. These goals are aligned to the mandate of the SARB of ensuring the safety and efficiency of the NPS. Achieving the goals in Vision 2025 is aligned with the economic development goals found in the "South African government's National Development Plan (NDP) 2030[4]". Addressing processing issues outlined in paragraph 3 will contribute to the achievement of the *Vision 2025* goals namely: i) promoting competition and innovation; financial inclusion; regional integration; transparency and public accountability; cost-effectiveness; interoperability; a clear and transparent regulatory and governance framework; financial stability and security; flexibility and adaptability.

[3] Available at: www.resbank.co.za/RegulationAndSupervision/.../Vision%202025.pdf
[4] Available at: www.poa.gov.za/.../NPC%20National%20Development%20Plan%20Vision%202030

4.3 Southern Africa Development Community (SADC) development

With a strong local operational capability, SA is enabled to offer a comprehensive suite of payments infrastructure and services and contribute to the achievement of the SADC objectives, and promote regional interoperability and development. Without this, SA would also risk loss of growth potential and competitiveness within the SADC region.

4.4 Appropriate regulatory framework

The SARB as the regulator, overseer and supervisor of the NPS, is expected to develop and communicate an appropriate regulatory framework for domestic processing in SA. This will enable the SARB to achieve the *Vision 2025* goal of a 'clear and transparent regulatory and governance framework'. This also provides market certainty for participants in the NPS, in relation to the domestic processing policy position in SA.

4.5 More efficiency and reduction of costs

Efficient markets ensure optimal resource allocation and utilization by allowing appropriate pricing that motivate independent actors in the economy.

4.6 Promote access and competition

The licensing/authorisation of processors must be executed by the SARB to ensure that access is fair and transparent. Competition is a critical driver of performance. It also encourages the adoption of innovation as companies evolve and new ideas emerge in the marketplace.

5. DOMESTIC PROCESSING LANDSCAPE IN SA

5.1 Stakeholders in the processing environment:

5.1.1 **SARB** – The SARB performs three roles in respect of the NPS, namely (i) the regulator, overseer and supervisor of the NPS; (ii) the operator of domestic and regional settlement infrastructures; and (iii) provider of banking services to the SARB (itself) and its subsidiaries as well as the government. The final obligations of the processed domestic payments are settled in the Real Time Gross Settlement (RTGS) system called South Africa Multiple Option Settlement (SAMOS) system, which is owned and operated by the SARB. Each settlement system participant has an account at the SARB from which interbank settlement obligations are settled. The SARB regulates, oversees and supervises the activities of the payment systems, which includes the processing activity executed by the SARB itself.

5.1.2 **PASA** - The PASA is a payment system management body recognised in terms of the NPS Act. It is responsible for the management, regulation and organisation of its members**,** who are clearing participants. PASA fulfils its mandate through its regulatory framework, issuance of rules, compliance monitoring and enforcement. In terms of PASA clearing rules, the processing of EFT transactions and other non-card transactions must be effected through an authorised PCH SO, As a result, in the card environment; the issuing participant decides which PCH SO will process their transaction in accordance with the PASA rules. PASA is currently also responsible for the authorisation of PCH SOs in various payment streams.

5.1.3 **Processors** – authorised processors (also known as PCH SOs) are responsible for processing payments in various payment streams**.** Below are the current authorised PCH SOs for the various payment streams:

i. Card stream: Visa, Mastercard and Bankserv;

ii. Other payment streams such as CLC (cheque), EFT debit and credit, real-time-clearing, early debit orders: Bankserv.

5.1.4 **Clearing members (banks) and designated clearing system participants** – These are participants that enable their clients (consumers) to initiate a payment and/or enable their clients (merchants) to accept payment instruments or mechanisms from consumers to purchase goods and services. They are required to sign agreements with processors that process payment instructions/transactions on their behalf.

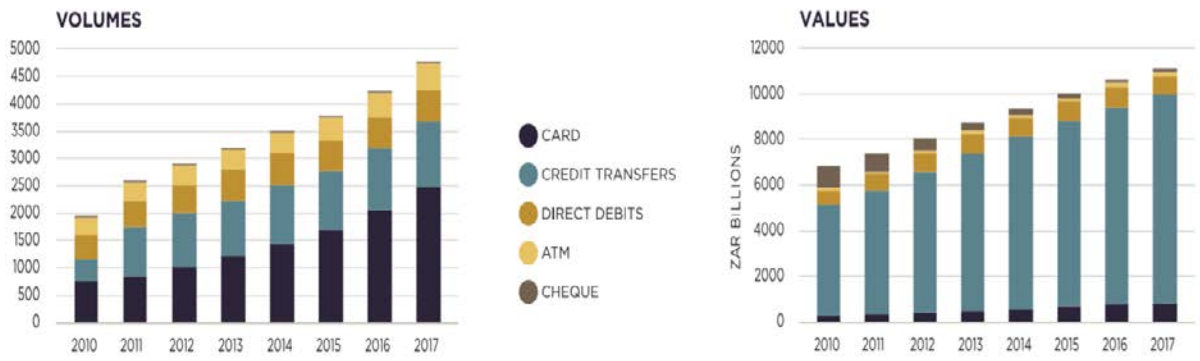
5.1.5 **Merchant/user** – The merchant or user benefits from increased sales through acceptance of various payment instruments used by the consumer. Consumers are thus more likely to spend in a store or channel that accepts popular payment instruments or methods. In this process, merchants send through payment instructions to their acquiring participant bank for processing purposes.

5.1.6 **Consumer** – The initiation process of a payment transaction is kicked off by a consumer using a payment instrument such as card, etc. A consumer in this instance may be an individual or a business.

5.2 Processing trends in the past seven years

5.2.1 Generally, in the past seven years, we have seen a significant growth in electronic payments in terms of volumes and values as reflected in Figure - 1. The higher growth in volume is observed in the card stream, while the EFT credit stream recorded a higher growth in value. However, cheque in terms of both volume and value has been declining in the past seven years. This is as a result of a continuous decline in the appetite for cheque payment stream domestically as well as globally.

Figure 1: Retails payments growth trends in the past seven years



Source: PASA Annual Report 2018

6. JURISDICTIONS ANALYSIS

a) **Germany**

girocard is the umbrella brand of the German banking industry for both the German debit payment scheme "electronic cash" (Point of Sale, POS) and the German ATM system. girocard is the most prominent card payment scheme in Germany and functions as a chip and PIN-based debit card scheme. This payment card used to make POS transactions and to withdraw cash at ATMs is generally issued to the card holder by the account-holding credit institution when opening a current account.

b) **India**

National Payments Corporation of India (NPCI), is an umbrella organisation for operating retail payments systems in India. It is an initiative of Reserve Bank of India (RBI) and Indian Banks' Association (IBA) under the provisions of the Payment and Settlement Systems Act, 2007, focussed on establishing a robust Payment & Settlement Infrastructure in India. NPCI has been set up as an umbrella organisation owned and operated by the banks.

Considering the utility nature of the objects of NPCI, it has been incorporated as a “Not for Profit” Company under the provisions of Section 25 of Companies Act 1956 (now Section 8 of Companies Act 2013), with an intention to provide infrastructure to the entire Banking system in India for physical as well as electronic payment and settlement systems. The Company is focused on bringing innovations in the retail payment systems through the use of technology for achieving greater efficiency in operations and widening the reach of payment systems.[5]

RuPay, a domestic card payment scheme launched by the NPCI, has been established to fulfil RBI’s vision to offer a domestic, open-loop, multilateral system which will allow all Indian banks and financial institutions in India to participate in electronic payments.[6]

c) **Russia**

Russia introduced the National Card Payment System, to reduce Russia's dependency on offshore operated payment systems. In May 2014, Russia promulgated legislation establishing a national system of payment cards to safeguard financial operations in Russia[7]. The development of the National Card Payment System was a key factor in addressing the sovereign risk in the national payment area. The National Card Payment System facilitates secure and uninterrupted processing of Russian domestic bank card transactions.

[5] Available at :www.pib.nic.in/newsite/PrintRelease.aspx?relid=160339
[6] Available at: www.npci.org.in/product-overview/rupay-product-overview
[7] Available at:www.sputniknews.com/business/201504011020303512/

National Card Payment System Joint Stock Company (NSPK) – the operator of Mir National Payment System – was established on 23 July 2014 and is wholly owned by the Central Bank of the Russian Federation (Bank of Russia).

At the time the Bank of Russia announced a plan to issue 100 million national payment cards over the next two years. The first Mir cards were issued in December 2015 in the framework of a pilot project. Unlike international payment systems' card transactions, Russian Mir card transactions cannot be suspended and no external economic and political factors can influence their processing.

As of April 1, 2015 all domestic transactions including those effected through international payment systems' cards within Russia are being processed through the NSPK Operations and Payment Clearing Centre.

Mir national payment cards are accepted everywhere across Russia and enable cardholders to perform all types of standard transactions such as: withdrawal of cash, payment for purchases of goods and services, and effecting contactless and mobile payments. [8]

d) **Ethiopia**

In 2009, the National Bank of Ethiopia instructed all commercial banks to cooperate in the establishment of the central and national switch system focused on electronic retail payments. Creating interoperability amongst the payment systems and expanding access to financial services was the objective of the National Bank's instruction[9].

[8] Available at :www.nspk.com/about/company/

[9] Available at :www.intelligentcio.com/.../how-bpc-and-ethswitch-are-interconnecting-ethiopian-ban

EthSwitch is the owner and operator of the national electronic retail payments switch of Ethiopia, National e-Payment Switch. This has been established with the purpose of providing electronic retail payment switching and clearing, card issuance and management, and infrastructure services in the country at large. In November 2011, the National Bank of Ethiopia became an EthSwitch shareholder and board member. In addition, 18 Ethiopian banks are also shareholders in EthSwitch.

The National e-Payment Switch is one of the four major components of the National Payment Systems strategy being implemented by the National Bank of Ethiopia, in which modernisation is at the core.

EthSwitch is independent of the Ethiopian central bank and is not an extension of the central bank. The Ethiopian central bank is the central settlement bank of all the Ethiopian banks. For this purpose it has implemented the Real Time Gross Settlement System. The National e-Payment Switch managed by EthSwitch is integrated online with the Real Time Gross Settlement System.

EthSwitch is the sole clearing house for interbank electronic retail payments in Ethiopia. On an ongoing basis, it does settlement between the banks. Whenever there is an inter-bank transaction, the transaction will come to the EthSwitch infrastructure and will be completed within its infrastructure.

e) **Nigeria**

In Nigeria, any organisation offering payment switching services must, by policy, connect to the Nigeria Central Switch (NCS) known as Nigeria Inter-Bank Settlement System (NIBSS) Plc to ensure full interoperability across different schemes. NIBSS Plc was incorporated in 1993 and is owned by all licensed banks including the Central Bank of Nigeria (CBN). It commenced operations in June 1994. NIBSS has put in place modern world-class infrastructures for handling inter-bank payments in order to remove potential bottlenecks associated with inter-bank funds transfer and settlement[10]. The company also operates the Nigeria Automated Clearing System (NACS) which facilitates the electronic clearing of cheques and other paper based instruments, electronic funds transfer, Automated Direct Credits and Automated Direct Debits.

One of the most successful privately owned switching services is Interswitch. Interswitch is a commercial organisation that offers payments processing services and a switching infrastructure for payment routing. It provides online, real-time transaction switching that enable businesses and individuals to have access to their funds across the twenty two banks in Nigeria and across a variety of payment channels such as Automated Teller Machines (ATMs), Point of Sale (PoS) terminals, Mobile Phones, Kiosks, Web and Bank Branches Interswitch's Electronic Funds Transfer (EFT) switching application. It supports major networks including Verve, Mastercard, and China Union Pay, besides other proprietary networks. Interswitch also offers AutoPay, a scheme similar to NIP that uses the card/PAN for payment routing. This scheme is run by Interswitch and uses the same settlement as Verve.

7. POLICY PROPOSALS

7.1 In formulating the policy position, the SARB requested the payments industry to submit policy options on domestic processing of card transactions. The following are some of the key policy proposals advanced by the payment industry including the SARB:

[10] Available at: www.nibss-plc.com.ng/company-overview/

7.1.1 Key industry proposals

(a) Processing of a certain percentage of transactions in cards and ATM payment streams locally while the rest may be processed offshore. For example, the percentage should be proportional to the volumes of transactions an institution is processing;

(b) Consideration to open the market for another card scheme to broaden competition;

(c) Review of the role of a domestic processor in the NPS. For example, Bankserv should be a utility and set expectations for market participants;

(d) Local processor should be a State Owned Enterprise (SOE);

(e) The SARB should prescribe the kinds of platforms that the participants choose to source for processing of their transactions;

(f) Safeguarding of the EFT and real-time clearing payment streams. These should be treated as strategic national assets;

(g) Local providers such as schemes should be compelled to register and operate as SA companies;

h) Use of distributed ledger technology which could result in less dependency on a concentration of entities for processing and clearing.

7.1.2 Other proposals/possible options

a) **The processing of domestic payments should be effected by a not for profit utility**

The processing of domestic transactions is at the core of the NPS. Hence, a not-for-profit public utility with a cost recovery model is required in SA to process domestic transactions. Compelling all participants to utilise the utility transaction processing services, will benefit from economies of scale in order to bring down the processing costs. This will ensure that participants (banks and non-banks) are able to fairly access a low cost, transaction processing service to benefit the entire NPS and SA.

It is recognised that this option may lessen competition and innovation in the NPS. Furthermore, businesses are always willing to take risks (i.e. research and development, capital expenditure and others) provided that the returns from the risk taken are greater than the costs incurred and therefore, an industry that is not for profit may have little appeal to firms that desire greater returns on the risks they are able to manage. A single utility also goes against the Vision 2025 goal of promoting competition and innovation. Finally, not for profit motive may mean that the utility has to be funded and owned by the SARB, or the SARB together with the industry or the industry itself. Industry ownership, particularly where some participants own a larger share than others or where there is less diverse or stakeholder representative ownership structure may also present access issues, as the dominant players may use their position to inhibit access of less dominant players to the utility. Therefore, this option may work where the SARB takes ownership of the utility or stringent regulation on ownership, governance and accessibility of the utility are imposed/issued.

b) **Introduction of a domestic scheme**

The national strategic advantages of launching a domestic scheme are as gathered from India's launch of Rupay[11] (domestic card): a) lower cost and affordability; b) customised product offering; c) protection of information related to consumers; d) to provide electronic product options to untapped/unexplored consumer segment; and e) inter-operability between payment channels and products.

In countries such as China, India and Russia, the success of domestic card schemes was as a result of the support from their central banks and government led policies. Therefore, perhaps for a specific SA market, a government led-payment programme, such as the payment of social grants

[11] https://www.npci.org.in/product-overview/rupay-product-overview

through South African Social Security Agency (SASSA) where there are over 10 million SASSA cards, may be a start for domestic card issuance and a domestic card scheme.

However, it is noted that new entrants into the card scheme and domestic white label card struggle financially in their early years, since it takes time to build up a base of merchant acceptance. Furthermore, SA has a matured electronic and card market.

A domestic card scheme may yield benefits for the NPS. Given the number of cards in circulation and the fact that they are issued and acquired domestically, the SARB would support the establishment of a domestic card scheme, to ensure fair access and competition.

c) **Regulatory requirement to mandate domestic processing of domestic card transactions**

The SARB may mandate participants to process all domestic transactions through a processing infrastructure established in SA while providing and allowing data sharing between the local processor and issuing schemes. This would ensure that participants benefit from the innovation and value-added services provided by issuing schemes while also ensuring that domestic transaction processing capability is maintained.

d) **Set licensing requirements for payment clearing house operators**

For an entity to provide payment clearing services, it needs to be licensed by the SARB. The following requirements at the minimum must be met:

i. The processor must promote the policy objectives of the NPS;
ii. Have sufficient capital buffers;
iii. Have appropriate ownership, governance and risk management arrangements;
iv. Have fair access criteria for the infrastructure for all participants;

v. Ring-fence the licensed function – Payment clearing house operators may be allowed to perform this function provided it is ring-fenced and not co-mingled with other commercial businesses. In addition, there should not be cross-subsidisation between this function and any other business, and adequate resources should be maintained to ensure sustained provision of this service/performance of this function;

vi. The payment clearing house operator processing infrastructure must be located in South Africa.

e) **Enabling competition in the domestic market**

The current state of the processing industry in SA is oligopolistic and the addition of new providers may fundamentally alter the current market structure. In this regard, bringing in well-established new providers into the market would not only introduce competition, but will also lead to an increase in consumer choices leading to lower cost in the long run. Additionally, payment networks tend to have network externalities, in which a new entrant in a network increases the utility of all the members in the network.

8. RECOMMENDATIONS

8.1 Payment processing is a core function within the NPS and it must be regulated for the benefit of consumers of payment services. As a result, the policy proposals outlined above were considered, and the following policy option is recommended:

8.2 Domestic processing capability should be established and maintained in SA for the processing of retail payments. To achieve this objective, the following regulatory/licensing requirements should apply:

a) The payment clearing house operator must be licensed by the SARB;

b) The processing infrastructure through which domestic transactions are processed must be established locally;

c) The processing function must be ring-fenced and it must not be co-mingled with other non-related business;

d) The infrastructure must adhere to appropriate standards such as the PFMI;

e) The payment clearing house operator must obtain approval from the SARB whenever it wants to offer non-core services – meaning other services besides processing of payments in SA;

f) Fair access must be provided to all participants;

g) Ownership, governance and management structures should further the objectives of the NPS given the criticality of the processing function;

h) The processor must comply with relevant prudential and other risk management requirements.

8.3 To further mitigate the sovereign risk in the card stream, the SARB is also supportive of the establishment of a domestic scheme or white label card and issuance and acquiring of cards offered by other international card schemes in the SA market.

9. CONCLUSION

9.1 The SARB as the overseer, regulator and supervisor of the NPS with the objectives of achieving the safety, efficiency and soundness of the NPS; including the accomplishment of *Vision 2025* goals, is concerned about potential loss of domestic processing capability to offshore processors. Regulatory intervention is necessary where there is potential threat of sovereignty risk to the NPS.

9.2 The SARB should be fair and neutral in relation to its stance on NPS matters and it must not favour or protect a particular entity/stakeholder. Therefore, the regulatory proposal outlined herein is aimed at protecting the broader interests of the NPS.

10. COMMENTS AND CONTACT DETAILS

Stakeholders are invited to forward their comments on this consultation paper by **18 December 2018**. Comments should be addressed to: npsdirectives@resbank.co.za.