



Southern African Development Community (SADC) Integrated
Regional Electronic Settlement System
SIRESS Statement of Objectives

Document Glossary

Abbreviation	Term
CCBG	Committee of Central Bank Governors
CPL	Continuous Processing Line
FMI	Financial Market Infrastructure
RTGS	Real Time Gross Settlement
RTL	Real Time Line
SADC	Southern African Development Community
SADC BA	Southern African Development Community Bank Association
SAMOS	South African Multiple Option Settlement system
SIRESS	The SADC Real-Time Gross Settlement system (SADC-RTGS)
SARB	South African Reserve Bank

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1. Document Purpose

The purpose of this document is to outline the statement of objectives for the SADC Real Time Gross Settlement (SIRESS) system as an FMI regarding safety, efficiency and its role in financial stability.

2. General description of the FMI and the market it serves

The regional cross-border real time gross settlement (RTGS) system in the SADC region is called SIRESS. SIRESS is an automated interbank settlement system operated by the SARB, as appointed by the participating SADC central banks, to settle their obligations and payments on an immediate, real time basis in the region. SIRESS settles on a prefunded basis. It is a single-currency settlement system that settles in the South African rand.

SIRESS settles single settlement instructions between participating banks. The functionality to process batched payment instructions was developed and implemented in the system in September 2015. SIRESS provides three settlement options to banks, namely the real-time line (RTL), continuous processing line (CPL) and the continuous batch processing line (CBPL) settlements.

3. General organisation of the FMI

SIRESS as a Financial Market Infrastructure (FMI) is owned by SADC through the Committee of Central Bank Governors (CCBG). Notwithstanding the overall ownership, the intellectual property rights in and to the system used in the operation of the FMI, which system was developed by adapting the South African Multiple Option Settlement (SAMOS) system, remain vested in the SARB. SIRESS is operated by the SARB. The ownership matters and decision-making processes of SIRESS fall under the governance structures of the CCBG.

4. Collateral management

SIRESS does not offer credit extensions to participants and thus no collateral facilities. SIRESS operates on a pre-funded basis for settlement of cross-border transactions. The participants' accounts must be prefunded prior to settlement, and arrangements for collateral, if any, are made outside of the domain of SIRESS. The SARB therefore does not have exposures to participants as no loans are offered. SIRESS participants are not required to square-off at the end of the day.

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