

JOINT COMMUNICATION 3 OF 2022

Eligible collateral in terms of Joint Standard 2 of 2020 – Margin requirements for non-centrally cleared over the counter derivative transactions

On 31 August 2022, the Financial Sector Conduct Authority and the Prudential Authority (the Authorities) published a Joint Discussion Document (under Joint Communication 2 of 2022) on the expansion of eligible collateral types in terms of Joint Standard 2 of 2020 on Margin Requirements for non-centrally cleared over-the-counter derivative transactions (Joint Standard) and invited comment from all interested persons.

The purpose of this communication is to notify all interested persons that today, in terms of paragraph 6(2) of the Joint Standard, the Authorities specified that South African central government bonds with the credit rating issued by a licensed credit rating agency, as defined in section 1 of the Credit Rating Services Act, 2012 (Act No. 24 of 2012), constitute eligible collateral as outlined in Joint Notice 2 of 2022.

Furthermore, the Authorities will engage all interested persons in due course on additional assets or instruments that may be considered in satisfying regulatory margin obligations in terms of paragraph 6(2) of the Joint Standard.

The Joint Notice and Joint Communication are available on the websites of the Authorities at www.fsca.co.za and www.resbank.co.za.

Requests for further information about the Joint Communication, Joint Notice, and Joint Standard may be submitted via email to FSCA.RFDStandards@fsca.co.za and marginrequirements@resbank.co.za.



Unathi Kamlana
Commissioner
FINANCIAL SECTOR CONDUCT AUTHORITY

DATE: 09.12.2022

Fundi Tshazibana
Chief Executive Officer
PRUDENTIAL AUTHORITY

DATE: