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SOUTH AFRICAN RESERVE BANK  
Prudential Authority

## Prudential Communication 9 of 2023

### Financial Sector Regulation Act, 2017 (Act No.9 of 2017)

#### Notice of invitation to comment – Prudential Authority Fees Determination

##### ***Objective of this Prudential Communication***

*This communication relates to the provisions of section 98 of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017) (FSR Act) which requires the Prudential Authority in terms of the process for making regulatory instruments, such as a Fees Determination, to publish a notice inviting submissions in relation to the regulatory instrument as well as the other documentation stipulated herein.*

#### **1. Application**

- 1.1 This Prudential Communication is applicable to all interested parties and financial institutions in relation to fees applicable to banks, branches of foreign institutions, bank controlling companies (hereinafter referred to as banks), mutual banks, co-operative banks, co-operative financial institutions (CFIs), insurers (including holding companies of insurers and microinsurers) and the holding companies of financial conglomerates.

#### **2. Purpose**

- 2.1 This Prudential Communication serves to fulfil the requirements of section 98 of the FSR Act. The Prudential Authority in terms of the process for making regulatory instruments is required to publish documentation stipulated herein as well as a notice inviting submissions in relation to the regulatory instrument and stating where, how and by when submissions are to be made.

#### **3. Notice of invitation for comment**

- 3.1 Section 237(1)(a) of the FSR Act provides for fees to be charged by the Prudential Authority to fund the performance of specific functions under the FSR Act and the relevant financial sector laws.
- 3.2 Currently, fees for banks and mutual banks are prescribed through the Regulations relating to Banks and Regulations relating to Mutual Banks, respectively. Fees for co-operative banks and CFIs are prescribed through Supervisory Rules. Fees for insurers are currently prescribed under the Prudential Standard on Insurance Application Fees.

- 3.3 The aforementioned regulations and legal instruments will be repealed once the Prudential Authority Fees Determination is made by the Prudential Committee.
- 3.4 A determination of fees is defined by the FSR Act as a 'regulatory instrument' and is subject to Part 1 of Chapter 7 of the Act, being the making of a regulatory instrument.
- 3.5 The Prudential Authority Fees Determination sets out the fees payable to the Prudential Authority in respect of the functions performed by the Prudential Authority in terms of the Act, and the relevant financial sector laws. In addition, the Prudential Authority Fees Determination sets out ancillary information related to the payment of fees.
- 3.6 The method of payment and process to be followed by a supervised entity or person when paying fees will be published by the Prudential Authority on its website.
- 3.7 In this regard, the Prudential Authority publishes the following documentation in accordance with the provisions of section 98 of the FSR Act for public consultation:
  - 3.7.1 Draft Prudential Authority Fees Determination;
  - 3.7.2 Statement explaining the fees proposals by the Prudential Authority for the performance of specific functions under the financial sector laws; and
  - 3.7.3 Comments template.

#### **4. Submission requirements**

- 4.1 Comments on the draft Prudential Authority Fees Determination must be made using the Comments Template and submitted to [PA-Standards@resbank.co.za](mailto:PA-Standards@resbank.co.za) for the attention of Ms Kalai Naidoo on or before 28 August 2023.
- 4.2 Any enquiries regarding this communication must also be directed to the aforementioned e-mail address.

**Fundi Tshazibana**  
**Chief Executive Officer**

**Date:**