

SOUTH AFRICAN RESERVE BANK

NO. 2024

14 April 2022



SOUTH AFRICAN RESERVE BANK

REVOCATION AND DESIGNATION NOTICE

REVOCATION OF THE DESIGNATION OF THE SOUTHERN AFRICAN DEVELOPMENT COMMUNITY INTEGRATED REGIONAL ELECTRONIC SETTLEMENT SYSTEM AS A DESIGNATED SETTLEMENT SYSTEM, AND DESIGNATION OF THE SOUTHERN AFRICAN DEVELOPMENT COMMUNITY REAL-TIME GROSS SETTLEMENT SYSTEM AS THE NEW DESIGNATED SETTLEMENT SYSTEM**1. Introduction**

- 1.1 The South African Reserve Bank (SARB) is empowered to designate a settlement system as a designated settlement system in terms of section 4A(4) of the National Payment System Act 78 of 1998, as amended (NPS Act). Such designation may be made if the designation is in the interest of the integrity, effectiveness, efficiency or security of the payment system.
- 1.2 The Southern African Development Community (SADC) Protocol on Finance and Investment provides for, among other things, cooperation on payment, clearing and settlement systems among the SADC central banks which underpin the development of payment systems in the region.
- 1.3 In implementing cooperation on payment systems in the region, the SARB in collaboration with the central banks of SADC has developed and implemented the Southern African Development Community Real-Time Gross Settlement System (SADC-RTGS System), formerly known as the Southern African Development Community Integrated Regional Electronic Settlement System (SIRESS). This is a regional clearing and settlement system for SADC.

- 1.4 The SARB published a notice in General Notice No. 749 of *Government Gazette No. 36666* dated 19 July 2013 with the effective date of 22 July 2013 (Notice), which designated SIRESS as a designated settlement system in terms of section 4A(4) read with section 4A(5)(a) of the NPS Act. The Notice further specified the SARB as the designated settlement system operator (SIRESS Operator) in terms of section 4A(5)(b) of the NPS Act.
- 1.5 The Committee of Central Bank Governors (CCBG) in SADC later took a decision to change the name of the system from 'SIRESS' to the 'SADC-RTGS System', due to potential passive infringements on similar trademarks.
- 1.6 It has therefore become necessary to revoke the Notice issued in 2013 and substitute it with this designation notice that reflect the new name of the system, being the 'Southern African Development Community Real-Time Gross Settlement System', abbreviated as the 'SADC-RTGS System'.

2. Revocation and designation

- 2.1 The SARB is empowered, in terms of section 4A(6) of the NPS Act, to vary or revoke any designation by (i) amending or revoking any condition to which the designation is subject, or by (ii) making the designation subject to a new condition or conditions.
- 2.2 The SARB has thus considered the provisions of the NPS Act together with relevant factors, and has deemed it to be in the interest of the integrity, effectiveness, efficiency and safety of the payment system to:
- revoke the designation of SIRESS as a designated settlement system;
 - designate the SADC-RTGS System as the new designated settlement system; and
 - specify the SARB as the designated settlement system operator of the SADC-RTGS System.

- 2.3 This revocation shall not affect any payment to or out of the account of a SADC-RTGS System participant, nor any netting or settlement that took place prior to this notice.
- 2.4 All the legal agreements, arrangements and/or rules concluded by SIRESS are deemed to have been concluded by the SADC-RTGS System, and remain valid.
- 2.5 All the transactions concluded by SIRESS are deemed to have been concluded by the SADC-RTGS System, and remain valid.
- 2.6 All the obligations of SIRESS become those of the SADC-RTGS System.
- 2.7 All the members of SIRESS become members of the SADC-RTGS System.
- 2.8 Anything done by SIRESS must be regarded as having been done by the SADC-RTGS System.
- 2.9 Therefore, I, Lesetja Kganyago, Governor of the SARB, hereby, with effect from the date of publication in the *Government Gazette*:
- 2.9.1 revoke the Notice dated 19 July 2013;
- 2.9.2 designate the SADC-RTGS System as the new designated settlement system; and
- 2.9.3 specify that the SARB shall be the operator of the SADC-RTGS System and shall function as the designated settlement system operator.
- 2.10 Notwithstanding the change of the name from SIRESS to the SADC-RTGS System, the SADC-RTGS System will continue to operate as a cross-border real-time gross settlement system within the SADC member states.

2.11 Furthermore, this designation will continue to enable the SADC-RTGS System operator to maintain a real-time gross settlement account in the SARB's South African Multiple Option Settlement (SAMOS) System.

Signed at Pretoria on this 04th day of April 2022.

Leserja Kganyago

Mr E L Kganyago
Governor
South African Reserve Bank