

## **FSCA COMMUNICATION 38 OF 2020 (BANKS)**

### **Publication of final Conduct Standard for Banks**

#### **1. Purpose**

The purpose of this Communication is to inform stakeholders that today the Financial Sector Conduct Authority (FSCA) published the following supporting documents:

- Conduct Standard for Banks;
- Statement supporting the Conduct Standard; and
- Consultation Report.

#### **2. Background**

2.1 With the introduction of the Financial Sector Regulation Act in 2018, the FSCA was given the explicit mandate of regulating and supervising the conduct of banks in relation to the provision of financial products and services.

2.2 As part of fulfilling this mandate and bearing in mind various risks identified in the banking sector, the FSCA identified a critical and urgent need to develop a Conduct Standard for banks in order to enable it to supervise banks.

2.3 The Conduct Standard for Banks is therefore the first step towards rolling out a comprehensive market conduct regulatory framework for the banking sector.

2.4 The main objective of the Conduct Standard is to introduce requirements ensuring the fair treatment of financial customers of banks.

2.5 The Conduct Standard underwent a comprehensive public consultation process coupled with industry specific engagements. The Conduct Standard was also submitted to Parliament as required in terms of section 103 of the Financial Sector Regulation Act, 2017 (FSR Act).

2.6 Following requisite processes as set out in Chapter 7 of the Financial Sector Regulation Act, the FSCA today published the final Conduct Standard and relevant supporting documents.

### **3. Availability of Information and Equiries**

3.1 The documents referred to in paragraph 1 is available on the FSCA's website at [www.fsca.co.za](http://www.fsca.co.za).

3.2 For more information regarding the Conduct Standards and/or this Communication please contact the Regulatory Framework Department of the Authority at [Hannelie.hattingh@fsca.co.za](mailto:Hannelie.hattingh@fsca.co.za).

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