

**Guidance under the Regulations in terms of section 27(2) of the Disaster Management Act,
2002**

The Financial Sector Conduct Authority and the Prudential Authority, hereby, in terms of Regulation 11B(4A)(e)(ii) of the Regulations made in terms of section 27(2) of the Disaster Management Act, 2002 (Act No. 57 of 2002), and after consultation with the Department of Trade, Industry and Competition, issue this Guidance in relation to the performance of essential financial services in terms of the Regulations and the Joint Directive of 9 April 2020 as set out in the Schedule.

THE FINANCIAL SECTOR CONDUCT AUTHORITY

PRUDENTIAL AUTHORITY

Date of publication: 19 April 2020

SCHEDULE

1. Definitions

In this Schedule, “**the Act**” means the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017), any word or expression to which a meaning is assigned in the Act shall have that meaning, and unless the context otherwise indicates -

“**Authorities**” means the Financial Sector Conduct Authority and Prudential Authority established under the Act;

“**Call Centre Directions**” means the Directions regarding Call Centres providing essential services issued by the Minister of Health and the Minister of Trade, Industry and Competition on 9 April 2020;

“**Joint Directive**” means the Directive issued by the Authorities on 9 April 2020 in terms of Regulation 11B(4A)(e)(i) of the Regulations;

“**financial institution**” means a financial institution licensed in terms of a financial sector law rendering essential services as set out in item B.3.1 of Annexure B to the Regulations;

“**Regulations**” means the Regulations made under section 27(2) of the Disaster Management Act, 2002 (Act No. 57 of 2002) (published by Government Notice No. 318 of 18 March 2020, as amended by Government Notices Nos. R. 398 of 25 March 2020, R.419 of 26 March 2020 and R.446 of 2 April 2020 and R.465 of 16 April 2020); and

“**staff**” means the essential staff determined by the head of the institution in accordance with Regulations 11B(2) of the Regulations.

2. Object

The object of this Guidance Notice is to provide clarification and to address any confusion that may have arisen between the content of the Joint Directive and the Call Centre Directions.

3. Guidance

- (1) The Joint Directive applies to financial institutions licensed in terms of a financial sector law that render essential services as set out in item B.3.1 of Annexure B to the Regulations.
- (2) The Call Centre Directions apply to call centres providing, among others services, financial services to international customers. The Call Centre Directions were not intended to apply

to call centres that only provide financial services in South Africa Paragraph 4 of the Call Centre Directions provide as follows:

“The call centres referred to in item B.30 of the Regulations include call centres that provide health, safety, social support, government and financial services to international markets.”

- (3) Item B.30 of the Regulations was amended on 16 April 2020 to include “call centres necessary to provide debt restructuring for consumers of retailers and access to short-term insurance policies as a result of reduced income or loss of income”.
- (4) The Call Centre Directions are intended to apply to financial institutions that operate call centres providing services to international markets and call centres necessary to provide the services set out in paragraph (3).
- (5) To the extent that financial institutions operate both local call centres as well as call centres that provide services to international markets or call centres that provide the services set out in paragraph (3) of this Guidance, such financial institutions are expected to comply with the Call Centre Directions as well as the Joint Directive.
- (6) Financial institutions with call centre operations that fall within the ambit of both the Call Centre Directions and the Joint Directive, as a result of shared facilities, are expected to comply with the more onerous requirement contained in either the Call Centre Directions and the Joint Directive.
- (7) To the extent that financial institutions have already taken steps to implement the requirements in the Call Centre Directions, these measures may remain in place in order to mitigate against any additional operational strain on financial institutions by undoing any implementation measures that may have already been taken. The Authorities furthermore urge financial institutions to be mindful of the purpose and spirit of the Joint Directive as it is intended to aid in creating a safer working environment for staff and to prevent the spread of COVID-19.