



# KPMG Regulatory Centre of Excellence

Be on the **inside**

[Important Links](#)

[Contact Us](#)

[Subscribe](#)

[Previous Editions](#)

*For External Use Only*

## KPMG in South Africa

*Regulatory Updates till for the week ended 7 February, 2020*

### FinWatch – A Weekly Newsletter

Find the latest edition of **FinWatch** which provides a gist of all regulatory developments impacting the financial services industry in South Africa.

- [Regulatory Developments](#)
- [Market Developments](#)

### Regulatory Developments

#### **Media statement: Intergovernmental Fintech Working Group (IFWG) publishes report on 2019 workshops**

The IFWG published a report highlighting discussions held during six fintech workshops in 2019. The themes of these workshops were:

- Artificial intelligence (AI)
- Issuance of digital currencies by central bank
- Cybersecurity
- Digital identity
- Innovation for economic growth; and
- Open banking [Link Link Link](#)

#### **Ombudsman introduces new portal for raising insurance related complaints**

The joint Ombudsman's office introduced a new portal to address insurance related complaints pertaining to both short-term and long-term insurance products. According to retired Judge McLaren, the current joint Ombudsman, the single port of entry will ease the process of raising complaints for complainants. [Link](#)

## **TymeBank partners with Zion Christian Church**

South African based digital retail bank TymeBank announced its partnership with the nation's largest religious affiliation, Zionist Christian Church (ZCC) as its financial services partner of choice for members of the church. The partnership will involve provision of competitive and low-cost banking products to members of ZCC. TymeBank's bank card will double as a membership card for ZCC members and all products will be supported using Zion City Moria (ZCM) branded portable kiosks, staffed by ZCC's in-house mobile digital services company Zetnet. [Link](#) [Link](#)

---

## **Market Developments**

### **International**

#### **FCA informs credit card firms to review their approach to persistent debt customers**

The Financial Conduct Authority (FCA) instructed credit card firms to review their approach to borrowers who are caught in a cycle of persistent debt for three years, where they are paying more in terms of interest, fees and charges than their pending card balance. The FCA outlined the following areas where firms need to review and ensure compliance –

- Firms to personally discuss repayment concerns with customers. In cases where a customer cannot afford suggested options of repayment, firms must consider such situations by reducing, waiving or cancelling interest or charges
- Firms are not allowed to suspend credit cards without justifiable reasons in cases where customers are willing to engage and come to an agreement [Link](#)

#### **FCA appoints new board members**

The FCA appointed two new non-executive directors, Jeannette Lichner and Bernadette Conroy to the FCA Board for a period of three years from 1 April 2020 and 1 August 2020 respectively. [Link](#)

#### **FIS paper: Convergence in prudential regulation of banks**

The Financial Stability Institute (FIS) published a paper highlighting three main sources of regulatory fragmentation in the banking sector, which lead to different prudential outcomes across jurisdictions. Possible causes for divergence include –

- Heterogeneous practices in measurement of assets, specifically in loans and other assumption-dependent assets
- Difference in scope of application of Basel III's regulatory requirements in Pillar 1
- Divergent approaches in implementation of supervisory review process under Pillar 2 [Link](#) [Link](#)

#### **ASIC's overview of decisions on relief applications**

The Australian Securities and Investments Commission (ASIC) published a report for participants in capital markets and the financial services industry, who are prospective applicants for relief. This highlights some of ASIC's decisions on relief applications for the period of 1 April 2019 – 30 September 2019. The report covers examples where ASIC exercised or refused to exercise its exemption and modification powers from financial reporting, managed investment, takeovers, fundraising or financial services provisions of Corporations Act and National Credit Act. [Link](#) [Link](#)

---

Please [click here](#) to access the previous issues of the External edition of FinWatch



Michelle Dubois  
Senior Manager, Africa Regulatory CoE  
Email ID: [Michelle.Dubois@kpmg.co.za](mailto:Michelle.Dubois@kpmg.co.za)

[kpmg.com/socialmedia](https://kpmg.com/socialmedia)



[Unsubscribe](#) | [Privacy](#) | [Legal](#)

You have received this message from KPMG in South Africa.

© 2020 KPMG Services Proprietary Limited, a South African company and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ('KPMG International'), a Swiss entity. All rights reserved.

[kpmg.com/app](https://kpmg.com/app)

