



FSCA COMMUNICATION 23 OF 2022 (RF)

Publication of FSCA Conduct Standard 1 of 2022: Requirements Related to the Payment of Pension Fund Contributions

1. PURPOSE

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

- 1.1 FSCA Conduct Standard 1 of 2022: Requirements Related to the Payment of Pension Fund Contributions (Conduct Standard);
- 1.2 Statement of Need, Expected Impact and Intended Operation supporting the Conduct Standard; and
- 1.3 Consultation Report.

2. BACKGROUND

- 2.1 Regulation 33 of the Regulations made under section 36 of the Pension Funds Act, 1956 (No. 24 of 1956) (Regulation 33), sets requirements relating to the payment of contributions by employers to pension funds. Regulation 33 supports the requirements contained in section 13A of the Pension Funds Act, 1956 (No. 24 of 1956) (Act).
- 2.2 The FSCA has identified various shortcomings in Regulation 33 and approached the Minister of Finance with a proposal to revise Regulation 33 to address the identified shortcomings and replace Regulation 33 with a Conduct Standard. The main objective of this Conduct Standard is therefore to replace Regulation 33 of the Pension Funds Act, with the necessary improvements.
- 2.3 More detail on the need, expected impact and intended operation of the Conduct Standard can be found in the document referred to in paragraph 1.2 of this Communication.
- 2.4 The process for making regulatory instruments, as prescribed in Chapter 7 of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017), and in respect of this Conduct Standard, has now been concluded and the FSCA therefore published the final Conduct Standard. The effective date of the Conduct Standard is subject to transitional provisions set out in paragraph 7 of the Conduct Standard; the FSCA has also engaged the Minister of Finance to ensure that Regulation 33 is repealed when the Conduct Standard becomes effective.

3. ENQUIRIES

- 3.1 The documents referred to in paragraph 1 is available on the FSCA's website at www.fsca.co.za.
- 3.2 For more information regarding the Conduct Standard and/or this Communication please contact the FSCA's Regulatory Framework Department at Andile.Mjadu@fsca.co.za.



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Date of publication: 19 August 2022