

Joint Communication 6 of 2025

Industry consultation on proposed replacement of Joint Notice 2 of 2024 - Determination of regulatory reporting in terms of Joint Standard 2 of 2020 – Margin requirements for non-centrally cleared over the counter derivative transactions

1. PURPOSE

- 1.1 The purpose of this Communication is to notify all interested persons that today, the Financial Sector Conduct Authority and Prudential Authority (the Authorities) published on their websites for public consultation draft Joint Notice [-] of 2025: *Determination of regulatory reporting in terms of Joint Standard 2 of 2020* (Replacement Notice), which is intended to repeal and replace Joint Notice 2 of 2024: *Determination of regulatory reporting in terms of Joint Standard 2 of 2020*.
- 1.2 The objective of the Replacement Notice is to clarify the application of the relevant thresholds prescribed in paragraph 2.2 and the minimum transfer amounts prescribed in paragraphs 3(3) and 4.1 of the *Joint Standard 2 of 2020: Margin requirements for non-centrally cleared over the counter derivative transactions* (Joint Standard) insofar as they relate to the reporting obligations determined in Joint Notice 2 of 2024.

2. BACKGROUND AND RATIONALE FOR THE REPLACEMENT OF JOINT NOTICE 2 OF 2024

- 2.1 On 31 August 2022, the Authorities published the Joint Discussion Document¹ on regulatory reporting requirements applicable to providers and counterparties in terms of the Joint Standard. The comments received on the Joint Discussion Document were considered as part of the development of suitable reporting metrics to be determined by the Authorities.
- 2.2 The Authorities subsequently issued Joint Communication 5 of 2023² on 11 December 2023, stipulating the reporting metrics that would be contained in the determination of regulatory reporting for purposes of the Joint Standard in order to grant providers and counterparties sufficient time to prepare for the implementation of the regulatory reporting requirements, particularly in terms of metric extractions from the relevant source systems.

¹ See: Prudential Authority website at <https://www.resbank.co.za/content/dam/sarb/publications/prudential-authority/pa-public-awareness/covid-19-response/2022/joint-communication-2-of-2022/Joint%20Discussion%20Document%20Eligible%20collateral%20and%20regulatory%20reporting%20requirements%20for%20publication%20to%20PA.pdf> and on Financial Sector Conduct Authority website at [Joint Discussion Document - expansion to eligible collateral and regulatory reporting requirements](#).

² See: Prudential Authority website at: <https://www.resbank.co.za/content/dam/sarb/publications/prudential-authority/pa-public-awareness/covid-19-response/2023/Joint%20Communication%205%20of%202023%20-%20Regulatory%20reporting%20in%20terms%20of%20Joint%20Standard%202%20of%202020.pdf> and Financial Sector Conduct Authority website at [Joint Communication 5 of 2023](#)

2.3 On 11 December 2024, the Authorities issued Joint Notice 2 of 2024³ (previous notice) wherein the mechanisms by which information must be contained in, and the format, manner and frequency of regulatory reporting, was determined. Joint Communication 8 of 2024 further informed all interested persons that regulatory reporting would take effect from 1 April 2025.

2.4 In March 2025, following engagements with industry, the Authorities noted the need to clarify the applicability of two paragraphs of the Joint Standard relating to the reporting requirements. Paragraph 2.2(1) of the Joint Standard provides that the margin requirements in the Joint Standard do not apply to intra-group transactions that meet the requirements of paragraphs 2.2(2) and 2.2(3). Paragraph 3(3) provides for a minimum transfer amount of which the aggregate or sum of the initial and variation margin does not exceed R5 million. Additionally, paragraph 4.1 provides that initial margin must be collected once the R500 million threshold is reached.

3. CHANGE IN THE APPLICATION OF THE REGULATORY REPORTING REQUIREMENTS

3.1 The Authorities decided to replace the previous notice to confirm that the reporting requirements applies to –

- (a) a provider that enters into a non-centrally cleared OTC derivative transaction with a counterparty (as defined in the Joint Standard) or a foreign counterparty (as defined in the Joint Standard), and
- (b) a financial institution that is a counterparty (as defined in the Joint Standard); subject to the relevant thresholds within the Joint Standard.

3.2 The Authorities are accordingly intending to replace Joint Notice 2 of 2024 with the Replacement Notice to state that providers and counterparties as defined in the Joint Standard may factor in the relevant thresholds (including the minimum transfer amount) when reporting for purposes of the Joint Standard.

3.3 As with the previous notice, the Replacement Notice determines the mechanisms by which information must be contained in, and the format, manner and frequency at which regulatory reporting must be submitted in terms of paragraphs 6A (1) and (2) of the Joint Standard.

4. INVITATION TO COMMENT

4.1 All interested persons are hereby invited to submit comments on the draft Replacement Notice, marked Annexure A by using the comment template, marked Annexure B, both published alongside this Joint Communication.

4.2 Comments must be submitted to the Authorities via email at queries.otc@fsca.co.za and marginrequirements@resbank.co.za by no later than 3 February 2026.

4.3 Requests for further information on this Joint Communication, the Joint Notice, and the Joint Standard may be submitted via email to queries.otc@fsca.co.za, marginrequirements@resbank.co.za and pa-transformation@resbank.co.za.

³ See: Prudential Authority website at <https://www.resbank.co.za/en/home/publications/publication-detail-pages/prudential-authority/pa-public-awareness/Communication/2024/Jointnotice-2-of-2024-determination-of-regulatory-reporting-in-terms-of-joint-standard-2-of-2020> and Financial Sector Conduct Authority at [Joint Notice 2 of 2024](#).



Unathi Kamlana
Commissioner
FINANCIAL SECTOR CONDUCT AUTHORITY

DATE: 4 December 2025



Fundi Tshazibana
Chief Executive Officer
PRUDENTIAL AUTHORITY

DATE: 04 December 2025