



FSCA COMMUNICATION 12 OF 2024 (RF)

Publication of FSCA Prudential Standard 1 of 2024: Regulation 28 Quarterly Reporting Requirements for Pension Funds

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 Prudential Standard 1 of 2024: Regulation 28 Quarterly Reporting Requirements for Pension Funds (Prudential Standard);
- 1.2 Statement supporting the Prudential Standard;
- 1.3 FSCA RF Notice 8 of 2024: Determination of Format and Manner of Regulation 28 Quarterly Reports; and
- 1.4 Consultation Report.

2. SUMMARY

- 2.1 Regulation 28 protects retirement fund member savings by limiting the extent to which funds may invest in a particular asset or asset classes and requires funds to report instances of non-compliance with Regulation 28 on a quarterly basis.
- 2.2 In July 2022, the asset spreading requirements in Regulation 28 were amended, which amendments came into effect on 3 January 2023 and necessitated the urgent revision of the quarterly reporting requirements for pension funds to ensure alignment with the amendments. The Prudential Standard aligns the reporting requirements with the amendments.
- 2.3 To ensure more flexibility the Prudential Standard itself only includes a high-level reporting requirement pertaining to reporting non-compliance with or breaches in terms of Regulation 28, and further states that the FSCA may determine the manner and format of reporting. For that purpose, the FSCA published FSCA RF Notice 8 of 2024.
- 2.4 The process for making regulatory instruments is prescribed in Chapter 7 of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017). The said process has now been concluded, and the FSCA therefore published the final Prudential Standard. The Prudential Standard comes into operation on date of publication.

3. ENQUIRIES

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

A handwritten signature in black ink, appearing to read 'Unathi Kamlana', written over a horizontal line.

**UNATHI KAMLANA
COMMISSIONER
FINANCIAL SECTOR CONDUCT AUTHORITY**

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