



Financial Sector  
Conduct Authority

## **FSCA COMMUNICATION 26 OF 2022 (GENERAL)**

### **PUBLICATION OF DISCUSSION PAPER ON A FRAMEWORK FOR UNCLAIMED ASSETS IN SOUTH AFRICA, 2022**

#### **1 PURPOSE**

The purpose of this Communication is to inform stakeholders that the Financial Sector Conduct Authority (“FSCA”) published on its website the Discussion Paper on the Framework for Unclaimed Assets in South Africa (Discussion Paper) and to invite stakeholders to submit written comments.

#### **2 DISCUSSION PAPER**

2.1 The aim of the Discussion Paper is to build on the work conducted by the National Treasury in respect of unclaimed retirement benefits, to foster debate on how lost accounts and unclaimed assets should be treated in a way that is consistent with treating customer fairly principles. It therefore seeks mainly to improve the extent to which unclaimed assets are reunified with their rightful owners or beneficiaries, and minimise the extent of unclaimed assets in future. Proposals are also made regarding the channelling of some of the funds towards positive impact.

2.2 The FSCA makes 13 recommendations in this regard, including:

- (a) A common understanding of dormant and unclaimed assets, with criteria, across the financial sector for the different industry segments under review;
- (b) A supervisory approach and reporting framework in respect of dormant and unclaimed assets going forward;
- (c) Responsibilities of financial institutions relating to the management, record keeping, and tracing of persons entitled to dormant and unclaimed assets, and consider suitable regulatory requirements in this regard, including in relation to permissible fees and charges; and
- (d) Purpose(s) for which such unclaimed assets may be used, where it becomes apparent that the person entitled to unclaimed assets may not ever be traced, due for example to insufficient data and records, and where such unclaimed assets remain unclaimed for a determined period of time.

2.3 The FSCA further proposes that the following type of assets be included within the scope of the proposed Unclaimed Assets Framework:

- (a) Retirement fund benefits;
- (b) Bank deposits, irrespective the term and including foreign currency deposits;
- (c) Participatory interests in collective investment schemes;

- (d) Life and Non-Life Insurance policies;
- (e) Securities; and
- (f) Any investment, return, income, dividend or other proceeds in respect of or derived from the financial products referred to above that are payable or due to customers or their beneficiaries by financial institutions, including assets held by central securities depository participants.

2.4 The Discussion Paper can be accessed through the following link:  
<https://www.fsca.co.za/Regulatory%20Frameworks/Temp/FSCA%20Discussion%20Paper%20-%20A%20Framework%20for%20Unclaimed%20Financial%20Assets%20in%20South%20Africa%202022.pdf>

### **3 CONSULTATION PROCESS**

3.1 Interested parties are invited to submit comments on the Discussion Paper to [SFD.Consultation@fsca.co.za](mailto:SFD.Consultation@fsca.co.za) by 30 November 2022. The comments must be submitted using the comments template that can be accessed on the FSCA's website through the following link: <https://www.fsca.co.za/Regulatory%20Frameworks/Pages/Discussion-Papers.aspx>.

### **4 ENQUIRIES**

4.1 For any queries relating to the information contained in this document please contact the Supervisory Frameworks Department of the FSCA at [loraine.vandeventer@fsca.co.za](mailto:loraine.vandeventer@fsca.co.za).



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