



Government Gazette Staatskoerant

REPUBLIC OF SOUTH AFRICA
REPUBLIEK VAN SUID AFRIKA

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government
printing

Department:
Government Printing Works
REPUBLIC OF SOUTH AFRICA

HIGH ALERT: SCAM WARNING!!!

TO ALL SUPPLIERS AND SERVICE PROVIDERS OF THE GOVERNMENT PRINTING WORKS

It has come to the attention of the *GOVERNMENT PRINTING WORKS* that there are certain unscrupulous companies and individuals who are defrauding unsuspecting businesses disguised as representatives of the *Government Printing Works (GPW)*.

The scam involves the fraudsters using the letterhead of *GPW* to send out fake tender bids to companies and requests to supply equipment and goods.

Although the contact person's name on the letter may be of an existing official, the contact details on the letter are not the same as the *Government Printing Works*. When searching on the Internet for the address of the company that has sent the fake tender document, the address does not exist.

The banking details are in a private name and not company name. Government will never ask you to deposit any funds for any business transaction. *GPW* has alerted the relevant law enforcement authorities to investigate this scam to protect legitimate businesses as well as the name of the organisation.

Example of e-mails these fraudsters are using:

PROCUREMENT@GPW-GOV.ORG

Should you suspect that you are a victim of a scam, you must urgently contact the police and inform the *GPW*.

GPW has an official email with the domain as [@gpw.gov.za](mailto:gpw@gpw.gov.za)

Government e-mails DO NOT have org in their e-mail addresses. All of these fraudsters also use the same or very similar telephone numbers. Although such number with an area code 012 looks like a landline, it is not fixed to any property.

GPW will never send you an e-mail asking you to supply equipment and goods without a purchase/order number. *GPW* does not procure goods for another level of Government. The organisation will not be liable for actions that result in companies or individuals being resultant victims of such a scam.

Government Printing Works gives businesses the opportunity to supply goods and services through RFQ / Tendering process. In order to be eligible to bid to provide goods and services, suppliers must be registered on the National Treasury's Central Supplier Database (CSD). To be registered, they must meet all current legislative requirements (e.g. have a valid tax clearance certificate and be in good standing with the South African Revenue Services - SARS).

The tender process is managed through the Supply Chain Management (SCM) system of the department. SCM is highly regulated to minimise the risk of fraud, and to meet objectives which include value for money, open and effective competition, equitability, accountability, fair dealing, transparency and an ethical approach. Relevant legislation, regulations, policies, guidelines and instructions can be found on the tender's website.

Fake Tenders

National Treasury's CSD has launched the Government Order Scam campaign to combat fraudulent requests for quotes (RFQs). Such fraudulent requests have resulted in innocent companies losing money. We work hard at preventing and fighting fraud, but criminal activity is always a risk.

How tender scams work

There are many types of tender scams. Here are some of the more frequent scenarios:

Fraudsters use what appears to be government department stationery with fictitious logos and contact details to send a fake RFQ to a company to invite it to urgently supply goods. Shortly after the company has submitted its quote, it receives notification that it has won the tender. The company delivers the goods to someone who poses as an official or at a fake site. The Department has no idea of this transaction made in its name. The company is then never paid and suffers a loss.

OR

Fraudsters use what appears to be government department stationery with fictitious logos and contact details to send a fake RFQ to Company A to invite it to urgently supply goods. Typically, the tender specification is so unique that only Company B (a fictitious company created by the fraudster) can supply the goods in question.

Shortly after Company A has submitted its quote it receives notification that it has won the tender. Company A orders the goods and pays a deposit to the fictitious Company B. Once Company B receives the money, it disappears. Company A's money is stolen in the process.

Protect yourself from being scammed

- If you are registered on the supplier databases and you receive a request to tender or quote that seems to be from a government department, contact the department to confirm that the request is legitimate. Do not use the contact details on the tender document as these might be fraudulent.
- Compare tender details with those that appear in the Tender Bulletin, available online at www.gpwonline.co.za
- Make sure you familiarise yourself with how government procures goods and services. Visit the tender website for more information on how to tender.
- If you are uncomfortable about the request received, consider visiting the government department and/or the place of delivery and/or the service provider from whom you will be sourcing the goods.
- In the unlikely event that you are asked for a deposit to make a bid, contact the SCM unit of the department in question to ask whether this is in fact correct.

Any incidents of corruption, fraud, theft and misuse of government property in the *Government Printing Works* can be reported to:

Supply Chain Management: Ms. Anna Marie Du Toit, Tel. (012) 748 6292.
Email: Annamarie.DuToit@gpw.gov.za

Marketing and Stakeholder Relations: Ms Bonakele Mbhele, at Tel. (012) 748 6193.
Email: Bonakele.Mbhele@gpw.gov.za

Security Services: Mr Daniel Legoabe, at tel. (012) 748 6176.
Email: Daniel.Legoabe@gpw.gov.za

Closing times for **ORDINARY WEEKLY** **2023** **GOVERNMENT GAZETTE**

The closing time is 15:00 sharp on the following days:

- **08 December**, Thursday for the issue of Thursday **15 December 2022**
- **15 December**, Thursday for the issue of Friday **23 December 2022**
- **22 December**, Thursday for the issue of Friday **30 December 2022**
- **29 December**, Thursday for the issue of Friday **06 January 2023**
- **06 January**, Friday for the issue of Friday **13 January 2023**
- **13 January**, Friday for the issue of Friday **20 January 2023**
- **20 January**, Friday for the issue of Friday **27 January 2023**
- **27 January**, Friday for the issue of Friday **03 February 2023**
- **03 February**, Friday for the issue of Friday **10 February 2023**
- **10 February**, Friday for the issue of Friday **17 February 2023**
- **17 February**, Friday for the issue of Friday **24 February 2023**
- **24 February**, Friday for the issue of Friday **03 March 2023**
- **03 March**, Friday for the issue of Friday **10 March 2023**
- **10 March**, Friday for the issue of Friday **17 March 2023**
- **16 March**, Thursday for the issue of Friday **24 March 2023**
- **24 March**, Friday for the issue of Friday **31 March 2023**
- **30 March**, Thursday for the issue of Thursday **06 April 2023**
- **05 April**, Wednesday for the issue of Friday **14 April 2023**
- **14 April**, Friday for the issue of Friday **21 April 2023**
- **20 April**, Thursday for the issue of Friday **28 April 2023**
- **26 April**, Wednesday for the issue of Friday **05 May 2023**
- **05 May**, Friday for the issue of Friday **12 May 2023**
- **12 May**, Friday for the issue of Friday **19 May 2023**
- **19 May**, Friday for the issue of Friday **26 May 2023**
- **26 May**, Friday for the issue of Friday **02 June 2023**
- **02 June**, Friday for the issue of Friday **09 June 2023**
- **08 June**, Thursday for the issue of Thursday **15 June 2023**
- **15 June**, Thursday for the issue of Friday **23 June 2023**
- **23 June**, Friday for the issue of Friday **30 June 2023**
- **30 June**, Friday for the issue of Friday **07 July 2023**
- **07 July**, Friday for the issue of Friday **14 July 2023**
- **14 July**, Friday for the issue of Friday **21 July 2023**
- **21 July**, Friday for the issue of Friday **28 July 2023**
- **28 July**, Friday for the issue of Friday **04 August 2023**
- **03 August**, Thursday for the issue of Friday **11 August 2023**
- **11 August**, Friday for the issue of Friday **18 August 2023**
- **18 August**, Friday for the issue of Friday **25 August 2023**
- **25 August**, Friday for the issue of Friday **01 September 2023**
- **01 September**, Friday for the issue of Friday **08 September 2023**
- **08 September**, Friday for the issue of Friday **15 September 2023**
- **15 September**, Friday for the issue of Friday **22 September 2023**
- **21 September**, Thursday for the issue of Friday **29 September 2023**
- **29 September**, Friday for the issue of Friday **06 October 2023**
- **06 October**, Friday for the issue of Friday **13 October 2023**
- **13 October**, Friday for the issue of Friday **20 October 2023**
- **20 October**, Friday for the issue of Friday **27 October 2023**
- **27 October**, Friday for the issue of Friday **03 November 2023**
- **03 November**, Friday for the issue of Friday **10 November 2023**
- **10 November**, Friday for the issue of Friday **17 November 2023**
- **17 November**, Friday for the issue of Friday **24 November 2023**
- **24 November**, Friday for the issue of Friday **01 December 2023**
- **01 December**, Friday for the issue of Friday **08 December 2023**
- **08 December**, Friday for the issue of Friday **15 December 2023**
- **15 December**, Friday for the issue of Friday **22 December 2023**
- **20 December**, Wednesday for the issue of Friday **29 December 2023**

LIST OF TARIFF RATES FOR PUBLICATION OF NOTICES

COMMENCEMENT: 1 APRIL 2018

NATIONAL AND PROVINCIAL

Notice sizes for National, Provincial & Tender gazettes 1/4, 2/4, 3/4, 4/4 per page. Notices submitted will be charged at R1008.80 per full page, pro-rated based on the above categories.

Pricing for National, Provincial - Variable Priced Notices		
Notice Type	Page Space	New Price (R)
Ordinary National, Provincial	1/4 - Quarter Page	252.20
Ordinary National, Provincial	2/4 - Half Page	504.40
Ordinary National, Provincial	3/4 - Three Quarter Page	756.60
Ordinary National, Provincial	4/4 - Full Page	1008.80

EXTRA-ORDINARY

All Extra-ordinary National and Provincial gazette notices are non-standard notices and attract a variable price based on the number of pages submitted.

The pricing structure for National and Provincial notices which are submitted as **Extra ordinary submissions** will be charged at **R3026.32** per page.

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GOVERNMENT PRINTING WORKS - BUSINESS RULES

The **Government Printing Works (GPW)** has established rules for submitting notices in line with its electronic notice processing system, which requires the use of electronic *Adobe Forms*. Please ensure that you adhere to these guidelines when completing and submitting your notice submission.

CLOSING TIMES FOR ACCEPTANCE OF NOTICES

1. The *Government Gazette* and *Government Tender Bulletin* are weekly publications that are published on Fridays and the closing time for the acceptance of notices is strictly applied according to the scheduled time for each gazette.
2. Please refer to the Submission Notice Deadline schedule in the table below. This schedule is also published online on the Government Printing works website www.gpwonline.co.za

All re-submissions will be subject to the standard cut-off times.

All notices received after the closing time will be rejected.

Government Gazette Type	Publication Frequency	Publication Date	Submission Deadline	Cancellations Deadline
National Gazette	Weekly	Friday	Friday 15h00 for next Friday	Tuesday, 15h00 - 3 working days prior to publication
Regulation Gazette	Weekly	Friday	Friday 15h00 for next Friday	Tuesday, 15h00 - 3 working days prior to publication
Petrol Price Gazette	Monthly	Tuesday before 1st Wednesday of the month	One day before publication	1 working day prior to publication
Road Carrier Permits	Weekly	Friday	Thursday 15h00 for next Friday	3 working days prior to publication
Unclaimed Monies (Justice, Labour or Lawyers)	January / September 2 per year	Last Friday	One week before publication	3 working days prior to publication
Parliament (Acts, White Paper, Green Paper)	As required	Any day of the week	None	3 working days prior to publication
Manuals	Bi- Monthly	2nd and last Thursday of the month	One week before publication	3 working days prior to publication
State of Budget (National Treasury)	Monthly	30th or last Friday of the month	One week before publication	3 working days prior to publication
<i>Extraordinary Gazettes</i>	As required	Any day of the week	<i>Before 10h00 on publication date</i>	<i>Before 10h00 on publication date</i>
Legal Gazettes A, B and C	Weekly	Friday	One week before publication	Tuesday, 15h00 - 3 working days prior to publication
Tender Bulletin	Weekly	Friday	Friday 15h00 for next Friday	Tuesday, 15h00 - 3 working days prior to publication
Gauteng	Weekly	Wednesday	Two weeks before publication	3 days after submission deadline
Eastern Cape	Weekly	Monday	One week before publication	3 working days prior to publication
Northern Cape	Weekly	Monday	One week before publication	3 working days prior to publication
North West	Weekly	Tuesday	One week before publication	3 working days prior to publication
KwaZulu-Natal	Weekly	Thursday	One week before publication	3 working days prior to publication
Limpopo	Weekly	Friday	One week before publication	3 working days prior to publication
Mpumalanga	Weekly	Friday	One week before publication	3 working days prior to publication

GOVERNMENT PRINTING WORKS - BUSINESS RULES

Government Gazette Type	Publication Frequency	Publication Date	Submission Deadline	Cancellations Deadline
Gauteng Liquor License Gazette	Monthly	Wednesday before the First Friday of the month	Two weeks before publication	3 working days after submission deadline
Northern Cape Liquor License Gazette	Monthly	First Friday of the month	Two weeks before publication	3 working days after submission deadline
National Liquor License Gazette	Monthly	First Friday of the month	Two weeks before publication	3 working days after submission deadline
Mpumalanga Liquor License Gazette	Bi-Monthly	Second & Fourth Friday	One week before publication	3 working days prior to publication

EXTRAORDINARY GAZETTES

3. *Extraordinary Gazettes* can have only one publication date. If multiple publications of an *Extraordinary Gazette* are required, a separate Z95/Z95Prov *Adobe* Forms for each publication date must be submitted.

NOTICE SUBMISSION PROCESS

4. Download the latest *Adobe* form, for the relevant notice to be placed, from the **Government Printing Works** website www.gpwonline.co.za.
5. The *Adobe* form needs to be completed electronically using *Adobe Acrobat / Acrobat Reader*. Only electronically completed *Adobe* forms will be accepted. No printed, handwritten and/or scanned *Adobe* forms will be accepted.
6. The completed electronic *Adobe* form has to be submitted via email to submit.egazette@gpw.gov.za. The form needs to be submitted in its original electronic *Adobe* format to enable the system to extract the completed information from the form for placement in the publication.
7. Every notice submitted **must** be accompanied by an official **GPW** quotation. This must be obtained from the *eGazette* Contact Centre.
8. Each notice submission should be sent as a single email. The email **must** contain **all documentation relating to a particular notice submission**.
 - 8.1. Each of the following documents must be attached to the email as a separate attachment:
 - 8.1.1. An electronically completed *Adobe* form, specific to the type of notice that is to be placed.
 - 8.1.1.1. For *National Government Gazette* or *Provincial Gazette* notices, the notices must be accompanied by an electronic Z95 or Z95Prov *Adobe* form
 - 8.1.1.2. The notice content (body copy) **MUST** be a separate attachment.
 - 8.1.2. A copy of the official **Government Printing Works** quotation you received for your notice. (*Please see Quotation section below for further details*)
 - 8.1.3. A valid and legible Proof of Payment / Purchase Order: **Government Printing Works** account customer must include a copy of their Purchase Order. **Non-Government Printing Works** account customer needs to submit the proof of payment for the notice
 - 8.1.4. Where separate notice content is applicable (Z95, Z95 Prov and TForm 3, it should **also** be attached as a separate attachment. (*Please see the Copy Section below, for the specifications*).
 - 8.1.5. Any additional notice information if applicable.

GOVERNMENT PRINTING WORKS - BUSINESS RULES

9. The electronic *Adobe* form will be taken as the primary source for the notice information to be published. Instructions that are on the email body or covering letter that contradicts the notice form content will not be considered. The information submitted on the electronic *Adobe* form will be published as-is.
10. To avoid duplicated publication of the same notice and double billing, Please submit your notice **ONLY ONCE**.
11. Notices brought to **GPW** by “walk-in” customers on electronic media can only be submitted in *Adobe* electronic form format. All “walk-in” customers with notices that are not on electronic *Adobe* forms will be routed to the Contact Centre where they will be assisted to complete the forms in the required format.
12. Should a customer submit a bulk submission of hard copy notices delivered by a messenger on behalf of any organisation e.g. newspaper publisher, the messenger will be referred back to the sender as the submission does not adhere to the submission rules.

QUOTATIONS

13. Quotations are valid until the next tariff change.
 - 13.1. **Take note:** **GPW's** annual tariff increase takes place on **1 April** therefore any quotations issued, accepted and submitted for publication up to **31 March** will keep the old tariff. For notices to be published from 1 April, a quotation must be obtained from **GPW** with the new tariffs. Where a tariff increase is implemented during the year, **GPW** endeavours to provide customers with 30 days' notice of such changes.
14. Each quotation has a unique number.
15. Form Content notices must be emailed to the *eGazette* Contact Centre for a quotation.
 - 15.1. The *Adobe* form supplied is uploaded by the Contact Centre Agent and the system automatically calculates the cost of your notice based on the layout/format of the content supplied.
 - 15.2. It is critical that these *Adobe* Forms are completed correctly and adhere to the guidelines as stipulated by **GPW**.
16. **APPLICABLE ONLY TO GPW ACCOUNT HOLDERS:**
 - 16.1. **GPW** Account Customers must provide a valid **GPW** account number to obtain a quotation.
 - 16.2. Accounts for **GPW** account customers **must** be active with sufficient credit to transact with **GPW** to submit notices.
 - 16.2.1. If you are unsure about or need to resolve the status of your account, please contact the **GPW** Finance Department prior to submitting your notices. (If the account status is not resolved prior to submission of your notice, the notice will be failed during the process).
17. **APPLICABLE ONLY TO CASH CUSTOMERS:**
 - 17.1. Cash customers doing **bulk payments** must use a **single email address** in order to use the **same proof of payment** for submitting multiple notices.
18. The responsibility lies with you, the customer, to ensure that the payment made for your notice(s) to be published is sufficient to cover the cost of the notice(s).
19. Each quotation will be associated with one proof of payment / purchase order / cash receipt.
 - 19.1. This means that **the quotation number can only be used once to make a payment.**

GOVERNMENT PRINTING WORKS - BUSINESS RULES**COPY (SEPARATE NOTICE CONTENT DOCUMENT)**

20. Where the copy is part of a separate attachment document for Z95, Z95Prov and TForm03
- 20.1. Copy of notices must be supplied in a separate document and may not constitute part of any covering letter, purchase order, proof of payment or other attached documents.
- The content document should contain only one notice. (You may include the different translations of the same notice in the same document).
- 20.2. The notice should be set on an A4 page, with margins and fonts set as follows:
- Page size = A4 Portrait with page margins: Top = 40mm, LH/RH = 16mm, Bottom = 40mm;
Use font size: Arial or Helvetica 10pt with 11pt line spacing;
- Page size = A4 Landscape with page margins: Top = 16mm, LH/RH = 40mm, Bottom = 16mm;
Use font size: Arial or Helvetica 10pt with 11pt line spacing;

CANCELLATIONS

21. Cancellation of notice submissions are accepted by **GPW** according to the deadlines stated in the table above in point 2. Non-compliance to these deadlines will result in your request being failed. Please pay special attention to the different deadlines for each gazette. Please note that any notices cancelled after the cancellation deadline will be published and charged at full cost.
22. Requests for cancellation must be sent by the original sender of the notice and must be accompanied by the relevant notice reference number (N-) in the email body.

AMENDMENTS TO NOTICES

23. With effect from 01 October 2015, **GPW** will not longer accept amendments to notices. The cancellation process will need to be followed according to the deadline and a new notice submitted thereafter for the next available publication date.

REJECTIONS

24. All notices not meeting the submission rules will be rejected to the customer to be corrected and resubmitted. Assistance will be available through the Contact Centre should help be required when completing the forms. (012-748 6200 or email info.egazette@gpw.gov.za). Reasons for rejections include the following:
- 24.1. Incorrectly completed forms and notices submitted in the wrong format, will be rejected.
- 24.2. Any notice submissions not on the correct *Adobe* electronic form, will be rejected.
- 24.3. Any notice submissions not accompanied by the proof of payment / purchase order will be rejected and the notice will not be processed.
- 24.4. Any submissions or re-submissions that miss the submission cut-off times will be rejected to the customer. The Notice needs to be re-submitted with a new publication date.

GOVERNMENT PRINTING WORKS - BUSINESS RULES**APPROVAL OF NOTICES**

25. Any notices other than legal notices are subject to the approval of the Government Printer, who may refuse acceptance or further publication of any notice.
26. No amendments will be accepted in respect to separate notice content that was sent with a Z95 or Z95Prov notice submissions. The copy of notice in layout format (previously known as proof-out) is only provided where requested, for Advertiser to see the notice in final Gazette layout. Should they find that the information submitted was incorrect, they should request for a notice cancellation and resubmit the corrected notice, subject to standard submission deadlines. The cancellation is also subject to the stages in the publishing process, i.e. If cancellation is received when production (printing process) has commenced, then the notice cannot be cancelled.

GOVERNMENT PRINTER INDEMNIFIED AGAINST LIABILITY

27. The Government Printer will assume no liability in respect of—
 - 27.1. any delay in the publication of a notice or publication of such notice on any date other than that stipulated by the advertiser;
 - 27.2. erroneous classification of a notice, or the placement of such notice in any section or under any heading other than the section or heading stipulated by the advertiser;
 - 27.3. any editing, revision, omission, typographical errors or errors resulting from faint or indistinct copy.

LIABILITY OF ADVERTISER

28. Advertisers will be held liable for any compensation and costs arising from any action which may be instituted against the Government Printer in consequence of the publication of any notice.

CUSTOMER INQUIRIES

Many of our customers request immediate feedback/confirmation of notice placement in the gazette from our Contact Centre once they have submitted their notice – While **GPW** deems it one of their highest priorities and responsibilities to provide customers with this requested feedback and the best service at all times, we are only able to do so once we have started processing your notice submission.

GPW has a 2-working day turnaround time for processing notices received according to the business rules and deadline submissions.

Please keep this in mind when making inquiries about your notice submission at the Contact Centre.

29. Requests for information, quotations and inquiries must be sent to the Contact Centre **ONLY**.
30. Requests for Quotations (RFQs) should be received by the Contact Centre at least **2 working days** before the submission deadline for that specific publication.

GOVERNMENT PRINTING WORKS - BUSINESS RULES

PAYMENT OF COST

31. The Request for Quotation for placement of the notice should be sent to the Gazette Contact Centre as indicated above, prior to submission of notice for advertising.
32. Payment should then be made, or Purchase Order prepared based on the received quotation, prior to the submission of the notice for advertising as these documents i.e. proof of payment or Purchase order will be required as part of the notice submission, as indicated earlier.
33. Every proof of payment must have a valid **GPW** quotation number as a reference on the proof of payment document.
34. Where there is any doubt about the cost of publication of a notice, and in the case of copy, an enquiry, accompanied by the relevant copy, should be addressed to the Gazette Contact Centre, **Government Printing Works**, Private Bag X85, Pretoria, 0001 email: info.egazette@gpw.gov.za before publication.
35. Overpayment resulting from miscalculation on the part of the advertiser of the cost of publication of a notice will not be refunded, unless the advertiser furnishes adequate reasons why such miscalculation occurred. In the event of underpayments, the difference will be recovered from the advertiser, and future notice(s) will not be published until such time as the full cost of such publication has been duly paid in cash or electronic funds transfer into the **Government Printing Works** banking account.
36. In the event of a notice being cancelled, a refund will be made only if no cost regarding the placing of the notice has been incurred by the **Government Printing Works**.
37. The **Government Printing Works** reserves the right to levy an additional charge in cases where notices, the cost of which has been calculated in accordance with the List of Fixed Tariff Rates, are subsequently found to be excessively lengthy or to contain overmuch or complicated tabulation.

PROOF OF PUBLICATION

38. Copies of any of the *Government Gazette* or *Provincial Gazette* can be downloaded from the **Government Printing Works** website www.gpwonline.co.za free of charge, should a proof of publication be required.
39. Printed copies may be ordered from the Publications department at the ruling price. The **Government Printing Works** will assume no liability for any failure to post or for any delay in despatching of such *Government Gazette*(s)

GOVERNMENT PRINTING WORKS CONTACT INFORMATION

Physical Address:
Government Printing Works

149 Bosman Street

Pretoria

Postal Address:

Private Bag X85

Pretoria

0001

GPW Banking Details:
Bank: ABSA Bosman Street

Account No.: 405 7114 016

Branch Code: 632-005

For Gazette and Notice submissions: Gazette Submissions:

For queries and quotations, contact: Gazette Contact Centre:

E-mail: submit.egazette@gpw.gov.za
E-mail: info.egazette@gpw.gov.za
Tel: 012-748 6200

Contact person for subscribers: Mrs M. Toka:

E-mail: subscriptions@gpw.gov.za
Tel: 012-748-6066 / 6060 / 6058

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GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT

NO. 2892

23 December 2022

AGRICULTURAL PRODUCT STANDARDS ACT, 1990 (ACT No. 119 OF 1990)

STANDARDS AND REQUIREMENTS REGARDING CONTROL OF THE EXPORT OF APRICOTS: AMENDMENT

I, Billy Makhafola, appointed as Executive Officer in terms of section 2(1) of the Agricultural Product Standards Act, 1990 (Act No. 119 of 1990), hereby give notice under section 4(3) (c) of the said Act, that –

- (a) the standards and requirements regarding control of the export of Apricots as stipulated in Government Notice No. R. 1983 of 23 August 1991 and promulgated in Government Notice No. 1267 of 9 October 1998, amended by Government Notices No. 1245 of 22 October 1999, No. 4089 of 27 October 2000, No. 1983 of 14 September 2001, No. 1730 of 20 September 2002, No. 1754 of 27 June 2003, No. 2234 of 15 October 2004, No. 1976 of 4 November 2005, No. 1482 of 20 October 2006, No. 1002 of 17 August 2007, No. 1073 of 5 September 2008, No. 1007 of 30 October 2009, No. 771 of 13 August 2010, No. 589 of 2 September 2011, No. 771 of 28 September 2012, No. 1007 of 11 October 2013 and No. 252 of 1 March 2019 are hereby further amended; and
- (b) the standards and requirements mentioned in paragraph (a) –
- (i) shall be available for inspection at the office of the Executive Officer: Agricultural Product Standards, Harvest house, 30 Hamilton Street, Arcadia, Pretoria;
- (ii) may be obtained from the Executive Officer: Agricultural Product Standards, Department of Agriculture, Land Reform and Rural Development, Private Bag X343, Pretoria, 0001, Tel. (012) 319 6231 or Fax (012) 319 6265 or email: DibetsoK@dalrrd.gov.za on payment of the prescribed fees or from the website <http://www.dalrrd.gov.za>; and
- (iii) shall come into operation seven days after publication of this notice.

BILLY MAKHAFOLA**Executive Officer: Agricultural Product Standards**

DEPARTEMENT VAN LANDBOU, GRONDHERVORMING EN LANDELIKE ONTWIKKELING

NO. 2892

23 Desember 2022

WET OF LANDBOUPRODUKSTANDAARDE, 1990 (WET No. 119 VAN 1990)

STANDAARDE EN VEREISTES BETREFFENDE BEHEER OOR DIE UITVOER VAN APPELKOSE: WYSIGING

Ek, Billy Makhafola, ingevolge artikel 2(1) van die Wet op Landbouprodukstandaarde, 1990 (Wet No. 119 van 1990), as Uitvoerende Beampte aangewys, gee hiermee kragtens artikel 4(3) (c) van die vermelde Wet, kennis dat –

- (a) standaard en vereistes betreffende beheer oor die uitvoer van Appelmose soos gestipuleer in Goewermentkennisgewing No. R 1983 van 23 Augustus 1991 en afgekondig in Goewermentkennisgewing No. 1267 van 9 Oktober 1998, wysiging in Goewermentkennisgewing No. 1245 of 22 Oktober 1999, No. 4089 of 27 Oktober 2000, No. 1983 of 14 September 2001, No. 1730 of 20 September 2002, No. 1754 of 27 Junie 2003, No. 2234 of 15 Oktober 2004, No. 1976 of 4 November 2005, No. 1482 of 20 Oktober 2006, No. 1002 of 17 Augustus 2007, No. 1073 of 5 September 2008, No. 1007 of 30 Oktober 2009, No. 771 of 13 Augustus 2010, No. 589 of 2 September 2011, No. 771 of 28 September 2012, No. 1007 of 11 Oktober 2013 en No. 252 of 1 Maart 2019 hiermee verder gewysig word; en
- (b) die standaard en vereistes in paragraaf (a) vermeld –
 - (i) ter insae beskikbaar is by die kantoor van die Uitvoerende Beampte: Landbouprodukstandaarde, Harvest house, Hamiltonstraat 30, Arcadia, Pretoria;
 - (ii) teen betaling van die voorgeskrewe bedrag vanaf die Uitvoerende Beampte Landbouprodukstandaarde, Department van Landbou, Grondhervorming en Landelike ontwikkeling, Privaatsak X343, Pretoria, 0001, Tel. (012) 319 6231 of Faks (012) 319 6265 of e-pos Dibetsok@dalrrd.gov.za teen betaling van die voorgeskrewe gelde of van die webwerf <http://www.dalrrd.gov.za>; en
 - (iii) sewe dae na publikasie van hierdie kennisgewing in werking tree.

BILLY MAKHAFOLA

Uitvoerende Beampte: Landbouprodukstandaarde

DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT

NO. 2893

23 December 2022

AGRICULTURAL PRODUCT STANDARDS ACT, 1990 (ACT No. 119 OF 1990)

STANDARDS AND REQUIREMENTS REGARDING CONTROL OF THE EXPORT OF CHERRIES: AMENDMENT

I, Billy Makhafola, appointed as Executive Officer in terms of section 2(1) of the Agricultural Product Standards Act, 1990 (Act No. 119 of 1990), hereby give notice under section 4(3) (c) of the said Act, that –

- (a) the standards and requirements regarding control of the export of Cherries as stipulated in Government Notice No. R. 1983 of 23 August 1991 and promulgated in Government Notice No. 2064 of 10 September 1999, amended by Government Notices No. 2476 of 26 September 2003, No. 1306 of 2 December 2005, No. 1316 of 26 October 2007, No. 1363 of 7 November 2008, No. 29 of 24 January 2014 and No. 8 of 13 January 2017 are hereby further amended; and
- (b) the standards and requirements mentioned in paragraph (a) –
 - (i) shall be available for inspection at the office of the Executive Officer: Agricultural Product Standards, Harvest house, 30 Hamilton Street, Arcadia, Pretoria;
 - (ii) may be obtained from the Executive Officer: Agricultural Product Standards, Department of Agriculture, Land Reform and Rural Development, Private Bag X343, Pretoria, 0001, Tel. (012) 319 6231 or Fax (012) 319 6265 or email: DibetsoK@dalrrd.gov.za on payment of the prescribed fees or from the website <http://www.dalrrd.gov.za>; and
 - (iii) shall come into operation seven days after publication of this notice.

BILLY MAKHAFOLA
Executive Officer: Agricultural Product Standards

DEPARTEMENT VAN LANDBOU, GRONDHERVORMING EN LANDELIKE ONTWIKKELING

NO. 2893

23 Desember 2022

WET OF LANDBOUPRODUKSTANDAARDE, 1990 (WET No. 119 VAN 1990)

STANDAARDE EN VEREISTES BETREFFENDE BEHEER OOR DIE UITVOER VAN KERSIES: WYSIGING

Ek, Billy Makhafola, ingevolge artikel 2(1) van die Wet op Landbouproduktstandaarde, 1990 (Wet No. 119 van 1990), as Uitvoerende Beampte aangewys, gee hiermee kragtens artikel 4(3) (c) van die vermelde Wet, kennis dat –

- (a) standaard en vereistes betreffende beheer oor die uitvoer van Kersies soos gestipuleer in Goewermentskennisgewing No. R 1983 van 23 Augustus 1991 en afgekondig in Goewermentskennisgewing No. 2064 van 10 September 1999, wysiging in Goewermentskennisgewing No. 2476 of 26 September 2003, No. 1306 of 2 Desember 2005, No. 1316 of 26 Oktober 2007, No. 1363 of 7 November 2008, No. 29 of 24 Januarie 2014 en No. 8 of 13 Januarie 2017 hiermee verder gewysig word; en
- (b) die standaard en vereistes in paragraaf (a) vermeld –
 - (i) ter insae beskikbaar is by die kantoor van die Uitvoerende Beampte: Landbouproduktstandaarde, Harvest house, Hamiltonstraat 30, Arcadia, Pretoria;
 - (ii) teen betaling van die voorgeskrewe bedrag vanaf die Uitvoerende Beampte Landbouproduktstandaarde, Departement van Landbou, Grondhervorming en Landelike ontwikkeling, Privaatsak X343, Pretoria, 0001, Tel. (012) 319 6231 of Faks (012) 319 6265 of e-pos DibetsoK@dalrrd.gov.za teen betaling van die voorgeskrewe gelde of van die webwerf <http://www.dalrrd.gov.za>; en
 - (iii) sewe dae na publikasie van hierdie kennisgewing in werking tree.

BILLY MAKHAFOLA
Uitvoerende Beampte: Landbouproduktstandaarde

DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT

NO. 2894

23 December 2022

ANIMAL IMPROVEMENT ACT, 1998
(ACT NO. 62 OF 1998)

ANIMAL IMPROVEMENT REGULATIONS: AMENDMENT

The Minister of Agriculture, Land Reform and Rural Development has under section 2 of the Animal Improvement Act, 1998 (Act No. 62 of 1998) made the regulations set out in the Schedule.

SCHEDULE**Definitions**

1. In these regulations “the Regulations” means the Animal Improvement Regulations published under Government Notice No. R. 1682 of 21 November 2003, as amended.

Amendment of Table 7 of the Regulations

2. Table 7 of the regulations is hereby amended by the addition of the kinds of animals in Table 7(a) and Table (c) below.

ANNEXTURE**TABLE 7 (a)****BREEDS OF ANIMALS**
Landrace (indigenous and locally developed) breeds

Cattle / Beef	Donkey	Bees
Pin ² zyl	Nubian Abyssinia	African Honeybee Cape Honeybee

Table 7(c)

BREEDS OF ANIMALS
Recently introduced breeds

Cattle / Beef	Rabbits/<i>Leporidae</i>
South African Droughtmaster	Angora Beige Belgium hare Blanc de Hotot Californian <i>Chinchilla Giganta</i> Cinnamon Dutch English Flemish Giant Fox Frosted Pearl Harlequin Himalayan Jersey Woolly Lynx Netherland Dwarf New Zealand Rex Sable Satin SA Phendula Smoke Pearl Tri-colour Dutch Wheaten

MS A T DIDIZA

MINISTER OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT

DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT

NO. 2895

23 December 2022

LAND REFORM (LABOUR TENANTS) ACT, 1996 (ACT NO. 3 OF 1996)

Notice is hereby given, in terms of Section 17 (2) (c) of the Land Reform (Labour Tenants) Act, 1996 (Act No 3 of 1996) ("the LTA"), that applications for acquisition of land or rights in land were lodged with the Director General of the erstwhile Department of Land Affairs by the Applicants, and in respect of the Property, described in the Schedule.

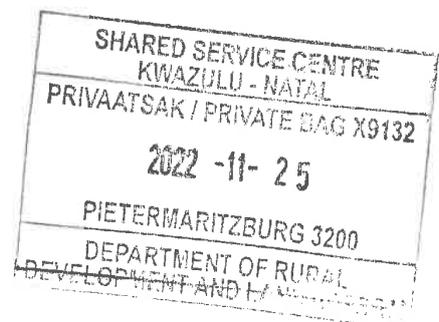
Any party who may have an interest in the applications appearing in the Schedule is hereby invited to make written representations to the Director General, within 30 days from the publication of this Notice. The representations must be forwarded to:

The Director General
c/o Deputy Director: Tenure Systems Implementation
Department of Agriculture Land Reform and Rural Development
Ladysmith District Office
45 Beacon Road
Ladysmith
3370
Tel (036) 638 9400, Fax (036) 638 9406
Email: Johny.Matlala@dalrrd.gov.za
File Reference: **See attachment**



SIGNED BY: DIRECTOR: TENURE REFORM IMPLEMENTATION
DULY AUTHORISED

25/10/22
For DIRECTOR-GENERAL: AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT



SCHEDULE

No.	ADMIN DETAILS		DETAILS OF THE APPLICANTS			DETAILS OF THE PROPERTY				Bonds and Restrictive Conditions (Interdicts)
	File No / Reference	Name and Surname	Identity Number	Property Description	Locality (District)	Current Title Deed No	Current Owner			
1.	KNB/4/1	Mr. Mvimba Joshua Mntambo. Mr. Ncubeni Mzikani Khumalo. Mr. Mfihleni Khumalo Mr. Mbekiseni Jabulani Thabethe	271001 5130 08 3 490415 5380 08 1 540405 5288 08 7 720309 5721 08 3	Portion 2 of the farm Doornkop No. 837, GS	uThukela	T70684/2002	Arioch Properties (Pty) Ltd		N/A	
2.	KNB/4/1	Mr. Siphwe Goerge Mazibuko	550715 5561 08 6	Remainder of the farm Riefontein, GS	uThukela		Lance Ridl		N/A	
3.	KNB/4/1	Mr. Simphiwe Majola	551104 0386 08 6	Portion 238 (remaining extent) of the farm Wagendrift No. 798	uThukela	T41184/2015	Lowlands Beef CC		N/A	
4.	KBN/4/3	Ms. Namile Frieda Dlamini. Mr. Ngcobo Ndabakhe Mr. Mdakane Jondo Moses	270922 0127 08 2 340815 5153 08 5 420309 5230 08 8	Remaining extent of the farm Schietdrift No. 949, GS	uThukela	T18547/2022	New Band Farm Trust		N/A	
5.	KBN/4/3	Mr. Bekhisisa Kay Khoza	450706 5189 08 6	The farm Known as Honnington No. 7809, FS and the farm known as Glen	uThukela	T5541/1992 T10531/2000	Amahlabi Trust		N/A	

6.	KBN/4/3/	Mr. Bhodloza Shabalala	560315 5249 08 5	Sieckhart No. 10535, FS	uThukela	T21799/2013	The Zunkel Farm Trust-Trustees	N/A
7.	KNB/4/1	Ms. Anna Motshwedi Situkulu	440712 0503 08 4	Portion 2 of Zand Drift No. 2380, GS	uThukela	T10466/2001	Somersvlake Trust	N/A
8.	KBN/4/3/	Mr. Somandla Ephraim Mvelase	631228 5650 08 4	Portion 5 of the farm Brandkraal No. 1140 GS	uThukela	T13840/1995	Vaalkrantz Trust- Trustees	N/A
9.	KBN/4/1	Mr. Milton Maphalala	55021 35254 08 4	Portion 9 (Remaining Extent) of the farm Kranzklouf No: 13091 GS	uThukela	T20490/1985	Schoeman Petrus Johannes	N/A
		Ms. Victoria Mthanti	500613 0539 08 5					
		Mr. Sipho Memele	671011 5291 08 8					
		Kubeka Sikotoyi	181225 5116 08 6	Portion 0 (remaining extent) and	uThukela			
		Mazibuko Phuthuma	380827 5158 08 0	Portion 3 of the farm Brakfontein No. 2208, GS				
		Mlambo Dindi	381005 5232 08 5					
		Kubeka Nkosenye James	400908 5252 08 5					
		Kubeka Mkiliqi Philemon	440607 5298 08 8					
		Kubheka Busisiwe Eunice	460812 0446 08 9					
		Mazibuko Koli Dlamini	470104 0444 08 4					
		Ntombenjani	480107 0273 08 8					

DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT

NO. 2896

23 December 2022

LAND REFORM (LABOUR TENANTS) ACT, 1996 (ACT NO. 3 OF 1996)

AMENDING NOTICE NO. 1122 IN THE GAZETTE NO. 43834 DATED 23 OCTOBER 2020

Notice is hereby given, in terms of **Section 17 (2) (c) of the Land Reform (Labour Tenants) Act, 1996 (Act No 3 of 1996) (“the LTA”)**, the **Director-General** is amending the said gazette notice due to the fact that the property on No. 43834 of 2020 incorrectly reflect **Portion 0 (R/E) of the farm Springboklaagte 416 JS** instead of **Portion 1 (R/E) of the farm Springboklaagte 416 JS**. Both properties are owned by Mafube Coal Mining PTY LTD.

The said Gazette Notice is hereby amended to reflect **Portion 1 (R/E) of the farm Springboklaagte 416 JS** as the property in which an Application for acquisition of land was lodged with the Director General of the Department of Land Affairs by the Applicants, and in respect of the Property set out in the Schedule.

Any party who may have an interest in the above-mentioned Application is hereby invited to make written representations to the Director General, within 30 days from the publication of this Notice. The representations must be forwarded to:

The Director General
c/o Deputy Director: Tenure Systems Reform
Department of Rural Development and Land Reform
 Nkangala District Shared Services Centre,
 Private Bag X 7261
 Witbank
 1035

SCHEDULE

Applicants:

No.	Name and Surname	Identity Number
1.	MATSELA APRIL	470404 5622 084,
2.	MAHLANGU W BOTJONGWA	490709 5185 080,
3.	KABINI L MAKONDOTSHI	250101 7374 088,
4.	NHLOPO E KUPA	441005 5232 083,
5.	MABENA F BANGANE	510915 5621 083,
6.	SIBANYONI P BANGANE	490407 5637 081,

Current particulars of the Property:

No.	Property Description	Locality (District)	Current Title Deed No	Current Owner	Bonds and Restrictive Conditions (Interdicts)
1	Portion 1 (R/E) of the farm Springboklaagte 416 JS	Nkangala	T11176/2017	1. MAFUBE COAL MINING PTY LTD	


For **DIRECTOR-GENERAL: DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM**

SIGNED BY: Hani Nematindani
DEPUTY DIRECTOR: TENURE SYSTEMS REFORM, DULY AUTHORISED

DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT

NO. 2897

23 December 2022

LAND REFORM (LABOUR TENANTS) ACT, 1996 (ACT NO. 3 OF 1996)

Notice is hereby given, in terms of Section 17 (2) (c) of the Land Reform (Labour Tenants) Act, 1996 (Act No 3 of 1996) ("the LTA"), that an Application for acquisition of land was lodged with the Director General of the Department of Land Affairs by the Applicants, and in respect of the Property set out in the Schedule.

Any party who may have an interest in the above-mentioned Application is hereby invited to make written representations to the Director General, within 30 days from the publication of this Notice. The representations must be forwarded to:

The Director General
c/o Deputy Director: Tenure Systems Reform
Department of Agriculture, Land Reform And Rural Development
 Nkangala District Shared Services Centre,
 Private Bag X 7261
 Witbank
 1035
 Tel: 013 655 1000

SCHEDULE

Applicants:

No.	Name and Surname	Identity Number
1.	Ncani Feitjie Sindane	161006 0068 082,
(Hereinafter referred to as "the Applicants")		

Property:

No.	Property Description	Locality (District)	Current Title Deed No	Current Owner	Bonds and Restrictive Conditions (Interdicts)
1	Remaining Extent of Portion 1 of the farm Springboklaagte 416 JS	Nkangala	T11176/2017	1. Mafube Coal Mining PTY LTD	


 For **DIRECTOR-GENERAL: DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT**

SIGNED BY: **Ibani Nematshani**
 DEPUTY DIRECTOR: TENURE SYSTEMS REFORM, DULY AUTHORISED

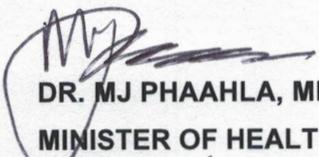
DEPARTMENT OF HEALTH

NO. 2898

23 December 2022

DENTAL TECHNICIANS ACT, 1979 (ACT No. 19 of 1979)**ACTS OR OMISSIONS OF DENTAL TECHNICIANS AND TECHNOLOGISTS IN RESPECT OF WHICH THE COUNCIL MAY TAKE DISCIPLINARY ACTION**

The Minister of Health has, under section 42 of the Dental Technicians Act, 1979 (Act No. 19 of 1979), on the recommendation of the South African Dental Technicians Council, hereby specify the acts or omissions, as set out in the Schedule hereto, in respect of which the council may take disciplinary action.


DR. MJ PHAAHLA, MP

MINISTER OF HEALTH

DATE: 18/11/2022

SCHEDULE

1. Definitions

In this Schedule, unless the context indicates otherwise, "**Act**" means the Dental Technicians Act, 1979 (Act No. 19 of 1979), and any expression to which a meaning has been assigned in the Act bears that meaning and —

"advertising" means any form of communication which is intended to promote the use of any goods or services or to promote the support of any cause;

"canvassing" means the systematic initiation of direct or indirect contact by a dental technician contractor with a target group such as, but not limited to, dentists, other dental technicians or dental technologists, with the intention of persuading or convincing them to support, subcontract or work for a specific dental laboratory or further the cause of such dental laboratory to the disadvantage of any other party; **"dental technology work"** means the work of a dental technician or dental technologist or any act specially pertaining to the profession of a dental technician or dental technologist; and

"SADTC" means the South African Dental Technicians Council established in terms of section 2 of the Act;

**ACTS OR OMISSIONS OF DENTAL TECHNICIANS AND DENTAL
TECHNOLOGISTS IN RESPECT OF WHICH COUNCIL MAY TAKE DISCIPLINARY
ACTION**

2. The acts or omissions specified in this Schedule are those in respect of which the council may take disciplinary action in terms of Chapter 4 of the Act.
3. Despite clause 2, the powers of the council to inquire into and deal with any complaint, charge or allegation are not limited to the acts or omissions specified in this Schedule.
4. **Relationships with colleagues and other health professionals**
 - (1) Employment of a person other than a registered dental technician or dental technologist, a registered student dental technician, or registered student dental technologist, or a dental laboratory assistant for performance of acts specifically pertaining to the profession of a dental technician or dental technologist;
 - (2) Referring of dental technology work by a dentist or dental technician contractor to unauthorised persons with the intention of such dental technology work being performed by assistance provided to or from, or co-operation is sought from or by, any such person;
 - (3) Failure to keep books of accounts and records in accordance with any legal requirements in respect of all the financial transactions relating to the dental laboratory of which he or she is the proprietor or employee;
 - (4) Discussing or negotiating with the patient of a dentist, the manufacture, repair or delivery of an artificial denture or other dental appliance, or part of such artificial

denture or appliance, without such dentist being present, other than when such patient is referred by a registered dentist in writing either by conventional or electronic communication;

- (5) Carrying out any clinical procedures directly on a patient.
- (6) Consulting with a person other than a dentist, dental technician or dental technologist who has the intention to divert the public with direct financial gain intended and to illicitly educate and provide the public with information ; and(7) Unless otherwise provided by any other Act, books of accounts are regarded as being not properly kept in accordance with subclause (3) if inter alia, such books have not been written up for more than a month, or if they have not been balanced every month apart from adhering to the standard accounting legislation, rules and practices.

5. Information on professional stationery

- (1) Only the following information may appear on letterheads, account forms and receipts:
 - (a) The name of the dental technician contractor or the name of his or her business as approved by the council and the words "Dental Technician Contractor"; and
 - (b) the registered physical addresses and fixed line telephone numbers or the Financial Intelligence Centre Act, 2001 (Act No. 38 of 2001) ("FICA") registered mobile contact numbers;
- (2) Failure to add the words "Registered Dental Technician or Dental Technologist" to any letterhead, account form or receipt;

- (3) The use of the letterheads, account forms and receipts described in subclauses (1) and (2) by a dental technician or dental technologist other than in his or her capacity as a dental technician contractor;
- (4) Making use of any stationery or printed material of any description which, in the opinion of the council, does not benefit the dignity, prestige and status of the profession; and
- (5) Printing of bulk brochures, leaflets or any related and or similar information that has no clear and specific purpose other than the intention of redirecting the public from the services of a dentist and to promote personal financial gain. However, such information may be placed in a dental surgery on the request of a dentist, which content must be agreed upon by all parties concerned, in which case the agreement or consent must be in writing either in hard copy or electronically.

6. Tendering for dental technology work

Tendering for any dental technology work or doing any dental technology work on tender for any individual person other than where government or government funded structures, unions, private group medical schemes or benefit funds are required to do so.

7. Limitation of employment

- (1) While employed as a registered dental technician or dental technologist by an employer in the dental technology field, or a related field, simultaneously performs any work pertaining to the profession of a dental technician or dental technologist for his or her own account; or

- (2) Is simultaneously employed by more than one employer in the dental technology field, or a related field, as a dental technician or dental technologist without the first employer's consent and the approval of the council.

8. Collection of moneys and receipt of remuneration

Assisting, permitting or enabling in any manner, directly or indirectly, a person other than a registered dental technician contractor or his or her authorised and duly appointed staff or agent or dentist to collect moneys, recover or receive such moneys or to receive any remuneration in respect of work done specially pertaining to the profession of a dental technician or dental technologist.

9. General

- (1) Exhibiting to the general public view in any manner, articles or appliances, including models, diagrams and charts or any materials, pertaining to his or her profession as a dental technician contractor other than –
- (a) inside the dental laboratory;
 - (b) with the permission of the registrar;
 - (c) at organised events where dental and oral health education is intended;
- or
- (d) in consultation with the dentist, exhibit dental appliances inside a dental surgery waiting area with the intention of educating the public in which case the name of the registered dental laboratory must appear;
- (2) Failing to attend properly, in a professional manner and to the best of his or her ability, to dental technology work entrusted to him or her;

- (3) Failing to adequately supervise staff in his or her employ, or staff not in his or her employ who he or she is obliged to supervise;
- (4) Abandoning his or her practice as a dental technician contractor without prior notice to dentists or other dental technician contractors who have placed orders with him or her as a subcontractor for dental technology work and without arranging with them for the completion and dispatch of such work;
- (5) Abandoning his or her practice as a registered dental technician contractor for a period of time without a registered and suitably qualified dental technician or dental technologist that can oversee the work and take the required responsibility during the agreed period away from the practice;
- (6) Failing to inform a dentist or other dental technician subcontractor of any professional limitation, lack of experience or unfamiliarity with a particular material, technique or technology;
- (7) Failing to reply, within a reasonable period, to any form of correspondence or to deal appropriately with all forms of communication which reasonably require a reply or response;
- (8) A dental technician or dental technologist who, without the consent of the registrar, publishes in the lay press, under the registrar's name, any articles on dental technology or dentistry which addresses any audience in this respect, whether directly or in any filmed, taped, duplicated or other transmitted form, broadcasting on the radio or television service or otherwise communicating with the public or a section thereof on dental technological or dental subjects.
Provided that—

- (a) the publication of an article or other relevant information by a dental technician or dental technologist in a professional journal or scientific book, or in specific media of any other profession, for use by the profession and by students of dental technology and dentistry where his or her name and professional qualifications are mentioned; and
- (b) the divulgence in the lay press or on the radio, television, social and other electronic media, under his or her own name, or the expression by means of lectures or addresses to a lay audience of his or her opinions on subjects of a professional nature—
 - (aa) by a full-time or part-time dental technician who is not in private practice, acting in his or her official capacity where such divulgence or expression forms a *bona fide* part of his or her official duties;
 - (bb) by any officer of a dental technicians' association acting in his or her official capacity and in accordance with instructions from such association; and
 - (cc) by any dental technician regarding matters of purely academic nature,shall be admissible; and
- (9) Establishing a website which goes beyond the intention of informing dentists on the services available or informing and educating the public on oral health options in terms of materials and technology available, as well as general instructions on how to take care of newly acquired dental appliances, in which case the website must be designed in such a way that –

- (a) the general information available to the public must be separated from the more detailed and profession-specific information for dentists which must be username and password protected;
- (b) case studies, including photographs, video inserts and animations may be part of what is not username and password protected; and
- (c) contracts, agreements, price structures and other related information must only be available in the protected area of the website, including –
 - (i) bulk short message services (sms) and electronic mails (e-mails) to members of the dental profession, other than to members of the dental technology profession; and
 - (ii) in the case of this type of communication being sent to dentists, it must be directed at an individual which can be followed up on in further direct communication, this subclause must be in adherence to the Electronic Communications Act, 2005 (Act No. 36 of 2005).

10. Defeating or obstructing the council in the performance of its duties

- (1) Failing to comply with an instruction, requirement or request from the council or a request from the registrar or his or her duly appointed and authorised staff; and
- (2) Any wilful act or omission which prevents or is calculated to prevent the council or any of its committees or the registrar or his or her duly and authorised staff from carrying out its or his or her statutory duties with special reference to Chapter 4 of the Act.

11. Canvassing for dental technology work

(1) For the purposes of this clause, canvassing for dental technology work includes—

- (a) (i) canvassing, in person, of employed dental technicians or dental technologists as potential employees during working hours at the place of employment of such potential employees, but this excludes electronic mass communications regarding available work opportunities; and
- (ii) offering or accepting any discount from any dentist on the agreed price for dental technology work –
 - (aa) with the intention that the difference between the amount agreed upon and the discounted amount reflecting on the invoice will be paid to the dentist directly or indirectly either in monetary terms, gifts, favours or otherwise; or
 - (bb) representing him or herself or allowing him or herself to be represented, directly or indirectly, as being prepared to do dental technology work at less than such agreed price;
- (b) directly or indirectly allowing him or herself to be advertised in order to draw attention to his or her practice, services or his or her professional proficiency, knowledge and qualifications for his or her immediate or eventual professional gain;
- (c) permitting the publication of his or her name in connection with advertisements for dental instruments, appliances or materials;

- (d) permitting the publication of his or her name in connection with advertisements or appeals to the public on behalf of medical health funders, associations or similar commercial organisations; and
 - (e) advertising in any public space, including on public dustbins, at bus stations and taxi ranks, on vehicles or billboards intended for mass advertising or any similar facilities or spaces; and
- (2) Despite subclause (1), a dental technician or dental technologist who is also a dental technician contractor and whose laboratory is registered in accordance with the Act, may not be regarded as being guilty of canvassing for work if he or she –
- (a) advertises in dental technology, dental or related journals or publications recognised by the council;
 - (b) communicates to another dental technician contractor or dentist—
 - (i) that he or she has started a dental laboratory or that he or she is prepared to do dental technology work, specifying only the type of dental technology work that he or she is prepared to do; or
 - (ii) a change of address, or a dissolution of a partnership and the like, which communications must be in writing and enclosed in an envelope bearing the name of the individual dental technician contractor or dentist to whom they are addressed, or by direct electronic communication;
 - (c) publishes, in normal print or electronically, in any official national, regional or local telephone directory –

- (i) his or her name, profession and the name and profession of any partner, or the name of his or her business as approved by the council;
 - (ii) his or her professional or business address; and
 - (iii) his or her fixed line telephone number or his or her and any partner's FICA registered mobile numbers;
- (d) affixes on envelopes for his or her use, his or her name or the name of his or her business as approved by the council, without any title or qualifications and a return address in case of non-delivery;
- (e) in the case of the laboratory being situated in a large building and he or she displays his or her details or the details of his or her business, in accordance with a special provision made by the landlord of the building or the landlord's agent, in the entrance hall of the building and on the floor where the laboratory is situated;
- (f) where no provision is made as contemplated in subclause (2)(e) and in accordance with the bylaws as applicable in the various provinces or local authorities, affixes or causes to be affixed a nameplate not exceeding 1200mm x 600mm at one or more entrances to the building in which his or her laboratory is situated, or at the gate of the premises if the laboratory is situated in a freestanding property, the nameplate must contain no more than –
- (i) his or her name, or the name of his or her business as approved by the council;

- (ii) the words "Dental Technician Contractor" and his or her official qualification abbreviation;
 - (iii) the words "Registered with the SADTC"; and
 - (iv) the number of the room/s and floor/s where the laboratory is situated;
- (g) affixes or causes to be affixed to the door or directly next to the doorleading to his or her laboratory, a nameplate on which his or her name appears, or the name of his or her business as approved by the council, together with the words "Dental Technician Contractor", his or her official qualification abbreviation and the words "Registered with the SADTC";
- (h) the purpose of the signage referred to in subclause (3)(e), (f) and (g) is to inform and not to advertise and professional integrity must be applied when designing such nameplate;
- (i) participating in any national event where dentistry or dental technology is promoted to members of the public with the intention to educate and raise general awareness regarding oral health care; and
- (j) the following official qualification abbreviations are applicable in terms of subclause (3)(f) and (g):
- (i) **Prof. Cert. of Comp.:** Professional Certificate of Competence which was issued by the South African Dental Mechanics Board as mandated in terms of the Dental Mechanics Act, 1945 (Act No. 30 of 1945) and which allowed the bearer to be registered with

the board as a dental mechanic which is now referred to as a dental technician in terms of section 18 of the Act;

- (ii) **Dip: Dental Technology (SADTC):** Diploma in Dental Technology issued by the SADTC based on the training offered at an approved institution which replaced the Professional Certificate of Competence and allows the bearer to be registered as a dental technician or dental technologist in terms of section 18 of the Act;
- (iii) **ND: Dental Technology (CPUT), (DUT) or (TUT):** National Diploma in Dental Technology which is either post 23 February 2001, being a diploma offered by a council approved institution as contemplated in section 18 of the Act, or a pre-23 February 2001 diploma issued by the Department of National Education in terms of SADTC Regulations R2309 of 16 October 1987 without registration status;
- (iv) **BTech: Dental Technology (CPUT), (DUT) or (TUT):** Baccalaureus Technologiae degree in Dental Technology, being a qualification as contemplated in section 18 of the Act;
- (v) **MTech: Dental Technology (CPUT), (DUT) or (TUT):** Magister Technologiae degree in Dental Technology, being a qualification as contemplated in section 18 of the Act; and
- (vi) **DTech: Dental Technology (DUT) or (TUT):** Doctor Technologiae degree in Dental Technology, being a qualification as contemplated in section 18 of the Act.

- (vii) The anticipated new qualifications aligned to the current NQSF, in due cause will replace the current National Diploma: Dental Technology leading to the professional registration as a dental technician as well as the BTech: Dental Technology leading to professional registration as dental technologist will cease to exist post the 2019 academic year.

The Diploma: Dental Technology (240 or 360 credits) and the Advanced Diploma: Dental Technology will replace the current National Diploma; while the Post Graduate Diploma: Dental Technology and Professional Degree: Dental Technology will replace the current BTech: Dental Technology.

- (viii) The MTech: Dental technology and the DTech: Dental Technology has already been replaced by a Masters in Health Science (MHSc) and Doctorate in Philosophy (PhD): Dental Technology. In Both these qualifications there may be students registered for the MTech and DTech completing under these phase-out qualifications. Since 2017 no new students were registered under these qualifications.

- (ix) Institutions approved by council will introduce and offer the NQSF qualifications as they obtain the necessary approval from CHE and other authorities both internal and external to these institutions.

NATIONAL TREASURY

NO. 2899

23 December 2022

I, E Godongwana, Minister of Finance, acting in terms of the Division of Revenue Act, 2022 (Act No. 5 of 2022), as amended, hereby publish in the attached Schedule -

- (a) stopping of allocations in respect of conditional allocations made to Gauteng under the Act; and
- (b) the re-allocation of stopped conditional allocations to North West province.

For ease of reference only and where applicable, the attached Schedule reflects the allocations published in the Division of Revenue Amendment Act, 2022 as Column A, stopping of allocations and re-allocations in Column B and the total adjusted allocations in Column C.

This Government Notice is set out as follows:

- Part 1: Conditional allocations; and
- Part 2: Explanatory memorandum relating thereto.



ENOCH GODONGWANA
MINISTER OF FINANCE

Date: 08/12/2022

Explanatory Memorandum to the Provincial Allocations set out in the Schedule

This *Gazette* is published in terms of the Division of Revenue Act, 2022 (Act No. 5 of 2022), as amended, and provides information on adjustments to existing allocations to provinces in the 2022/23 financial year.

This is necessitated by the need to stop the flow of funds in terms of Section 18 of the Division of Revenue Act, 2022, as amended, and to re-allocate the stopped funds to provinces, as approved in terms of Section 19 of the Division of Revenue Act, 2022, as amended.

This *Gazette* therefore updates information that was published in the Division of Revenue Act, 2022.

This notice affects the Public Transport Operations Grant

- a) In compliance with Section 18 of the Division of Revenue Act, 2022, as amended, the national Department of Transport stops the transfer of funds to Gauteng (R97.4 million) for the Public Transport Operations Grant, following revised allocations by the national Department of Transport.
- b) In compliance with Section 19 of the Division of Revenue Act, 2022, as amended, the national Department of Transport re-allocates funds to North West (R97.4 million) for the Public Transport Operations Grant, following revised allocations by the national Department of Transport.

SCHEDULE 4, PART A
ALLOCATIONS TO PROVINCES TO SUPPLEMENT THE FUNDING OF PROGRAMMES OR FUNCTIONS FUNDED FROM PROVINCIAL BUDGETS

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	Column C		
					2022/23 (Division of Revenue Act, 2022)	2022/23 Stopping and re- allocation after stopping of allocation	2022/23 Adjusted allocation		
Transport (Vote 40)	(b) Public Transport Operations Grant	To provide supplementary funding towards public transport services provided by provincial departments of transport.	Conditional allocation	Eastern Cape	R'000 282 593	R'000	R'000		
				Free State	312 430				
				Gauteng	2 730 550				
				KwaZulu-Natal	1 309 303				
				Limpopo	422 338				
				Mpumalanga	711 126				
				Northern Cape	63 581				
				North West	130 698				
				Western Cape	1 127 813				
				TOTAL	7 090 432				
					Gauteng			- 97 475	
					TOTAL			- 97 475	
					North West			97 475	
	TOTAL			97 475					
	Revised allocations								
	Eastern Cape			282 593		282 593			
	Free State			312 430		312 430			
	Gauteng			2 730 550	- 97 475	2 633 075			
	KwaZulu-Natal			1 309 303		1 309 303			
	Limpopo			422 338		422 338			
	Mpumalanga			711 126		711 126			
	Northern Cape			63 581		63 581			
	North West			130 698	97 475	228 173			
	Western Cape			1 127 813		1 127 813			
	TOTAL			7 090 432	-	7 090 432			

NATIONAL TREASURY

NO. 2900

23 December 2022

AMENDMENTS TO REGULATIONS IN TERMS OF BANKS ACT, 1990

The Minister of Finance has, in terms of section 90 of the Banks Act, 1990 (Act No. 94 of 1990), amended the Regulations relating to Banks which were published in Government Notice No. R. 1029 of 12 December 2012, as amended by Government Notice No. R. 261 of 27 March 2015, Government Notice No. R. 309 of 10 April 2015, Government Notice No. R. 297 of 20 May 2016, Notice No. 724 of 18 December 2020, Notice No. 1427 of 31 December 2020, Notice No. R. 943 of 31 March 2022, and Notice No. 2561 of 30 September 2022, as set out in the Schedule.

SCHEDULE

Definitions

1. In this Schedule, "the Regulations" means the Regulations published under Government Notice No. R. 1029, in *Government Gazette* No. 35950 on 12 December 2012, as amended by-
 - (a) Government Notice No. R. 261, in *Government Gazette* No. 38616 of 27 March 2015;
 - (b) Government Notice No. R. 309, in *Government Gazette* No. 38682 of 10 April 2015;
 - (c) Government Notice No. R. 297, in *Government Gazette* No. 40002 of 20 May 2016;
 - (d) Notice No. 724, in *Government Gazette* No. 44003 of 18 December 2020;
 - (e) Notice No. 1427, in *Government Gazette* No. 44048 of 31 December 2020;
 - (f) Government Notice No. 943, in *Government Gazette* No. 46159 of 31 March 2022; and
 - (g) Notice No. 2561, in *Government Gazette* No. 46996 of 30 September 2022.

Substitution of form BA 330

2. The form set out in Annexure A to this notice is hereby substituted for form BA 330 immediately preceding regulation 30 of the Regulations.

Amendment of regulation 30 of the Regulations

3. Regulation 30 of the Regulations is hereby amended:
 - (a) by the substitution for the entire subregulation (2) of the following subregulation:
 - "(2) The purpose of the return is to determine, among others-
 - (a) the repricing gap between the reporting bank's assets and liabilities, before and after the impact of derivative instruments are taken into consideration;
 - (b) the expected cumulative impact on or sensitivity of the reporting bank's net interest income (NII) resulting from such percentage or basis points change in interest rates as may be specified in this regulation 30 or otherwise directed in writing by the Authority, in respect of the reporting bank's current, expected or forecasted balance sheet relating to banking

activities;

- (c) the expected change in the net present value of the bank's assets, liabilities and off-balance sheet items, that is, the expected changes in the bank's economic value of equity, arising from specified interest rate shock and stress scenarios.

Note: For the purpose of these Regulations the risk of a change in the capital value of instruments resulting from a change in interest rates shall be deemed to constitute market risk (position risk), and shall be reported in the form BA 320.”;

- (b) by the substitution for the entire subregulation (3) of the following subregulation:

“(3) Unless specifically otherwise provided in this regulation 30 or directed in writing by the Authority-

- (a) the relevant required information in the form BA 330-
- (i) shall be reported in Rand; and
 - (ii) shall in all relevant specified cases be completed on the basis of nominal or notional amounts, or fair value;
- (b) subject to the provisions of paragraph (a) above, all relevant amounts shall be calculated and reported on an accrual basis;
- (c) interest rate-sensitive asset means an asset as defined in subregulation (5)(c)(iii)(A);
- (d) all on-balance sheet items and all off-balance sheet items relating to banking activities, which items affect the exposure of the reporting bank to interest-rate risk, shall be included in the form BA 330, including-
- (i) any interest-bearing asset or liability instrument or item;
 - (ii) any security or instrument valued on a discounted basis;
 - (iii) any zero coupon bond;
 - (iv) any variable rate instrument that may reprice on a daily or monthly basis, such as call deposits or prime linked instruments;
 - (v) any adjustable-rate instrument with a known reset date, such as a 3 month JIBAR linked product, which instrument-
 - (A) is linked to a regular base rate;
 - (B) shall be reported based on its next known reset date;
 - (vi) any discretionary or administered rate instrument, such as a savings or current account-
 - (A) the relevant rate of which instrument may or may not change in line with a regular base rate;
 - (B) the relevant rate of which instrument may be varied at the discretion of the reporting bank;
 - (C) which instrument shall be reported on the basis of the earliest adjustable interest-rate date;
 - (vii) any fixed rate instrument, such as a 12 month fixed deposit, which instrument has a predefined fixed interest rate until maturity and shall be reported on the basis of the instrument's relevant residual maturity;

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(viii) any relevant derivative instrument,

the relevant values of which are influenced by and sensitive to changes in interest rates, irrespective of whether or not-

- (A) formal interest payments are/were made in respect of the said item or instrument;
 - (B) the said item or instrument is denominated in Rand or a foreign currency;
- (e) any instrument not sensitive to or directly impacted by changes in interest rates, that is, instruments in respect of which the relevant values are indifferent to changes in interest rates, such as capital and reserve funds, shall, when relevant, be included in the form BA 330 as non-rate sensitive items;
- (f) the relevant requirements specified in this regulation 30 related to interest rate risk in the banking book shall in accordance with the respective requirements specified in regulation 7 apply to all banks and controlling companies on a solo and consolidated basis.”;
- (c) by the substitution for the entire subregulation (4) of the following subregulation:

“(4) Matters related to a bank’s governance and risk management framework

- (a) As a minimum, based upon, among others, the relevant requirements specified in regulations 39 and 43, the board of directors of a bank-
 - (i) shall specify and appropriately oversee, among others-
 - (A) the bank’s risk appetite for exposure to interest rate risk in the banking book in terms of the risk to-
 - (i) economic value, that is, the change in the net present value of the banking book portion of the bank’s balance sheet under appropriate interest rate stress scenarios; and
 - (ii) earnings, that is, the impact of changes in interest rates on the bank’s future accrued or reported earnings, and hence, the future profitability of the bank’s banking book positions;
 - (B) appropriate limits and sub-limits-
 - (i) that apply on a solo and consolidated basis for the bank’s aggregate exposure to interest rate risk in the banking book, including the definition of specific procedures and approvals required for or related to any exception, and ensure that the bank’s aggregate exposure to interest rate risk in the banking book remains consistent with the approved risk appetite and overall approach for the measurement of the bank’s exposure to interest rate risk in the banking book;
 - (ii) that apply in respect of all relevant individual affiliates, business units, portfolios or instrument types;
 - (iii) that may be associated with specific scenarios of changes in interest rates and/or term structures, such as an increase or decrease of a particular size or a change in the shape of a curve;
 - (iv) that duly take into consideration-
 - (aa) the nature, size, complexity and capital adequacy of the bank, as well as its ability to measure and manage its exposure to risk;

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- (bb) the bank's vulnerability to loss under stressful market conditions, including the breakdown of key assumptions;
- (cc) risks that may arise from changes to the level and structure of interest rates, in addition to the economic risks normally associated with changes to the level and structure of interest rates, such as, for example-
 - (i) currency mismatches, that is, when exposure to interest rate risk is in addition to normal exchange rate risks, which may potentially fall within a wider definition of basis risk; or
 - (ii) accounting treatment of risk positions, that is, when the bank's interest rate hedging activity may achieve the desired economic effect, but may fail to qualify for hedge accounting treatment in terms of the relevant requirements specified in accounting standards or statements that may apply from time to time,

Provided that the board shall also clearly specify whether limits are absolute limits in the sense that they may never be exceeded, or whether breaches of limits can be tolerated under specific circumstances for a predetermined short period of time.

- (ii) shall approve and appropriately oversee the bank's-
 - (A) broad business strategy related to its exposure to interest rate risk in the banking book;
 - (B) relevant risk appetite framework and related statements, that is, the written articulation of the aggregate level and types of exposure to interest rate risk in the banking book that the bank is willing to accept, or avoid, in order to achieve its business objectives, which risk appetite framework-
 - (i) shall clearly delineate delegated powers, lines of responsibility and accountability in respect of management decisions related to the bank's exposure to interest rate risk in the banking book; and
 - (ii) shall clearly define authorised instruments, hedging strategies and acceptable risk-taking opportunities,

Provided that the board shall approve all relevant major hedging or risk-taking initiatives prior to its implementation;

- (iii) shall ensure that-
 - (A) the bank has in place-
 - (i) a sufficiently robust risk management framework that complies with, among others, the respective requirements specified in subregulation (5) below;
 - (ii) sufficiently robust systems and internal controls-
 - (aa) to ensure the integrity of the bank's risk management process in respect of its exposure to interest rate risk in the banking book;
 - (bb) to ensure that positions that exceed or are likely to exceed limits specified by the board receive prompt management attention and are appropriately escalated without delay;

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- (cc) to ensure that positions related to internal risk transfers between the bank's banking book and its trading book are properly documented;
- (dd) that promote effective and efficient operations, reliable financial and regulatory reporting, and compliance with all relevant laws, regulations, limits and bank policies,

Provided that the board shall ensure that when revisions or enhancements to the bank's internal controls are identified or necessary, sufficiently robust mechanisms are in place to ensure that the said revisions or enhancements are actually implemented in a timely manner.

- (iii) an effective validation framework that complies with, among others, the respective requirements specified in subregulation (8) below;
 - (iv) adequate policies, processes, systems and procedures-
 - (aa) relating to the person(s) to inform, how the communication will take place and the actions to be taken in response to an exception or deviation from the approved or specified business strategy, risk appetite framework or limits;
 - (bb) for the valuation of positions and for assessing performance, including procedures for updating interest rate shock and stress scenarios and key underlying assumptions driving the analysis of the bank's exposure to interest rate risk in the banking book;
 - (v) sufficiently clear guidance regarding the acceptable level of exposure to interest rate risk in the banking book, given the bank's approved business strategy;
- (B) all relevant evaluations and reviews of the bank's risk management framework, internal control system and processes-
- (i) include ensuring that the bank's personnel comply with established policies, limits and procedures;
 - (ii) appropriately address any significant changes that may affect the effectiveness of the bank's controls, including changes in market conditions, personnel, technology and structures of compliance with exposure limits;
 - (iii) are conducted on a sufficiently regular basis by individuals and/or units that are independent of the function(s) being reviewed;
- (C) the management of the bank's exposure to interest rate risk in the banking book-
- (i) is sufficiently integrated within the bank's broader risk management framework and governance structures; and
 - (ii) is duly aligned with the bank's business planning and budgeting activities;
- (D) in relation to the bank's use of models, and the approval of policies, all relevant and respective oversight responsibilities are appropriately integrated within the bank's governance processes for model risk management;

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- (E) the bank considers capital requirements related to the bank's exposure to interest rate risk in the banking book as an integral part of-
 - (i) the bank's Internal Capital Adequacy Assessment Process (ICAAP); and
 - (ii) the bank's risk appetite framework and broad business strategy;
- (F) the bank complies with the relevant requirements related to the bank's ICAAP, specified in subregulation (7) below;
- (G) key or material behavioural and modelling assumptions used in the measurement of the bank's exposure to interest rate risk in the banking book-
 - (i) are approved by the board;
 - (ii) are well understood and conceptually sound;
 - (iii) are duly documented;
 - (iv) are rigorously tested;
 - (v) are duly aligned to the bank's approved business strategies; and
 - (vi) comply with the relevant further requirements specified in subregulation (6) below;
- (H) the functions responsible for the identification, measurement, monitoring and control of the bank's exposure to interest rate risk in the banking book-
 - (i) have in place clearly defined responsibilities in respect of the identification, measurement, monitoring and control of the bank's exposure to interest rate risk in the banking book;
 - (ii) are sufficiently independent from any relevant risk-taking function(s) of the bank;
 - (iii) report the bank's exposure to interest rate risk in the banking book directly to the board or, when relevant, the committee to which the board has delegated the relevant responsibilities;
- (I) as an integral part of the bank's processes to identify, measure, monitor and control the bank's exposure to interest rate risk in the banking book, the bank also duly monitors and assesses any relevant credit spread risk in the bank's banking book;
- (J) the bank's risk management framework, systems, policies, processes and procedures for identifying, measuring, monitoring and controlling its exposure to interest rate risk in the banking book are subject to appropriate and regular independent review and evaluation regarding the effectiveness of the framework and the relevant systems, policies, processes and procedures, provided that, on prior written request, the bank shall make available to the Authority any relevant review and evaluation reports by an internal or external auditor or other equivalent external person;
- (K) interest rate movements used in the formulation of specified limits represent meaningful shock and stress situations, taking into account historical interest rate volatility and the time required by the senior management of the bank to appropriately mitigate the bank's relevant exposures to interest rate risk;

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- (L) as an integral part of the bank's broader risk management and governance framework and processes, the bank develops and implements an effective stress testing framework for its exposure to interest rate risk in the banking book-
- (i) that includes-
 - (aa) clearly defined objectives;
 - (bb) scenarios that are relevant to the bank's businesses and respective exposures to risk, and that are sufficiently stressful;
 - (cc) well documented and duly approved assumptions; and
 - (dd) sound methodologies;
 - (ii) that ensures that the bank-
 - (aa) undertakes rigorous, forward-looking stress testing that identifies events of severe changes in market conditions which could adversely impact the bank's capital or earnings, possibly also through changes in the behaviour of the bank's customer base;
 - (bb) duly considers-
 - (i) the nature and sources of the bank's exposure to interest rate risk in the banking book;
 - (ii) the required time to take appropriate action to reduce or unwind unfavourable positions or exposures to interest rate risk in the banking book;
 - (iii) the bank's ability and willingness to withstand accounting losses in order to reposition the bank's risk profile;
 - (cc) selects scenarios that provide meaningful estimates of risk and include a range of shocks sufficiently wide to allow the board to duly understand the risk inherent in the bank's products and activities;
 - (iii) that appropriately feeds into the bank's relevant decision-making processes, including strategic decisions, such as, for example, business and capital planning decisions, and at the appropriate level;
 - (iv) that is commensurate with the bank's-
 - (aa) nature, size and complexity;
 - (bb) business activities, products and services; and
 - (cc) overall risk profile;
 - (v) that appropriately assesses, among other things, the potential impact of the relevant scenarios on the bank's financial condition, enabling ongoing and effective review processes for stress tests and recommends appropriate actions to be taken, based upon the respective stress test results;
 - (vi) that facilitates effective communication of risks to all relevant

stakeholders by means of appropriate disclosures;

- (vii) that complies with the relevant further requirements specified in subregulation (5)(e) below;
- (M) the analysis and risk management activities related to the bank's exposure to or potential changes in interest rate risk in the banking book are conducted by competent staff with technical knowledge and experience, consistent with the nature and scope of the bank's activities;
- (N) when the bank is exposed to significant-
 - (i) gap risk, that is the risk that arises, for example, when the rate of interest paid on liabilities increases before the rate of interest received on assets, or reduces on assets before liabilities, which means that the bank may be exposed to a period of reduced or negative interest margins, or may experience changes in the relative economic values of assets and liabilities;
 - (ii) basis risk, such as, for example, when some assets priced off Jibar are funded by liabilities priced off Treasury Bills; or
 - (iii) positions with explicit or embedded exposure to risk arising from optionality,

the board clearly specifies appropriate risk tolerance levels for the aforementioned exposures to risk;
- (O) prior to the introduction of any relevant new product, hedging or risk-taking strategy, the bank has in place sufficiently robust operational procedures and risk control systems in respect of the bank's exposure to and potential change in interest rate risk in the banking book;
- (P) as an integral part of its annual risk assessment and audit plans, the internal audit department reviews, as a minimum, the integrity and effectiveness of the bank's-
 - (i) model risk management process; and
 - (ii) risk management system;
- (Q) the bank discloses to the public, as a minimum and on a sufficiently regular basis, the relevant information specified in subregulation (9);
- (R) all relevant policies, processes and procedures related to the bank's exposure to interest rate risk in the banking book, and disclosure to the public, are reviewed at least on an annual basis, duly taking into consideration the details of all relevant reports and findings reported to the board or its delegates, and revised as needed, to ensure that the said policies, processes and procedures remain appropriate and sound;
- (iv) may delegate the management and monitoring of the bank's exposure to interest rate risk in the banking book to senior management or an asset and liability management committee (ALCO), including the duty to ensure the bank's ongoing compliance with any relevant limits specified by the board, provided that-
 - (A) the board shall-
 - (i) clearly identify the delegates responsible for the management of the bank's exposure to interest rate risk in the banking book and, to avoid any potential conflict of interest, shall ensure that there is also adequate separation of responsibilities in key elements of the risk

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management process;

- (ii) actively promote and encourage regular discussions between-
 - (aa) members of the board and the said delegates;
 - (bb) delegates and other relevant persons, departments or divisions in the bank involved in or affected by the bank's interest rate risk decisions and management process;
 - (cc) the relevant persons, departments or divisions in the bank responsible for the interest rate risk management process and the bank's strategic planning process, to appropriately evaluate risk that may arise from the bank's future business;
- (iii) ensure that-
 - (aa) the aforesaid delegates include persons or members with clear lines of authority over the units responsible for the establishment and management of the bank's interest rate risk positions;
 - (bb) a clear communication channel is in place to convey the delegates' directives to any relevant line unit;
 - (cc) the bank's organisational structure-
 - (i) enables its delegates to properly discharge their respective responsibilities, and
 - (ii) facilitates effective decision-making and good governance.
- (B) when the board delegates the task for the development of policies and practices to an ALCO, the ALCO shall meet on a sufficiently frequent basis and include appropriate representatives from each relevant major department or division contributing to or impacting the bank's exposure to interest rate risk in the banking book;
- (v) shall on a sufficiently frequent basis, but not less frequently than once every six months, receive and review sufficiently detailed information in respect of the bank's exposure to interest rate risk in the banking book-
 - (A) to allow the board to understand and assess-
 - (i) the nature, extent and trend of the bank's exposure to interest rate risk in the banking book; and
 - (ii) the bank's compliance with all the relevant policies and limits approved by the board;
 - (B) which reported information, as a minimum, shall include-
 - (i) a summary of the bank's aggregate exposure to interest rate risk in the banking book, and appropriate explanatory text that highlights to the board the relevant assets, liabilities, cash flows, and strategies driving the level and direction of the bank's exposure to interest rate risk in the banking book;
 - (ii) confirmation of the bank's continued compliance with all relevant approved policies and limits;

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- (iii) a comparison between-
 - (aa) the bank's current exposure to interest rate risk in the banking book and any relevant specified and/ or approved policy limit(s) and/ or sub-limit(s);
 - (bb) past forecasts or risk estimates, and actual results, to inform potential modelling shortcomings;
- (iv) information with an appropriate balance between aggregate information and supporting detail to enable the board to duly assess the sensitivity of the bank to changes in market conditions, with particular reference to portfolios that may potentially be subject to significant mark-to-market movements;
- (v) the results of the relevant required periodic model reviews and audits;
- (vi) key modelling assumptions, such as, for example, characteristics related to non-maturity deposits, prepayments on fixed rate loans and currency aggregation;
- (vii) the results of all relevant stress tests, including an assessment of sensitivities to key assumptions and parameters;
- (viii) a summary of the reviews of any interest rate risk policies, procedures and the adequacy of the measurement systems, including any relevant findings of internal or external auditors and/or other equivalent external persons, such as consultants, and subsequent actions taken to duly address any material shortcomings,

Provided that, the aforesaid reports to and reviews by the board shall be carried out on a more frequent basis when the bank is significantly exposed to interest rate risk in the banking book or has material positions in complex interest rate risk products or instruments;

- (b) As a minimum, based upon the relevant requirements specified in regulation 39, the senior management of a bank-
 - (i) shall provide the bank's board of directors with timely information that is sufficiently detailed to allow the bank's board of directors to understand and assess the performance of all relevant committees, persons or functions responsible for-
 - (A) monitoring, managing, mitigating and controlling the bank's exposure to interest rate risk in the banking book;
 - (B) ensuring the bank's ongoing compliance with policies and limits approved by the board in respect of the bank's exposure to interest rate risk in the banking book;
 - (ii) shall develop and implement appropriate risk limits, including any limits or sub-limits required to be approved by the bank's board of directors-
 - (A) to ensure the bank's exposure to interest rate risk in the banking book remains duly aligned to and within the bank's approved risk appetite and broad business strategy;
 - (B) to monitor the evolution of the bank's approved hedging strategies that rely on instruments such as derivatives;

- (C) to control mark-to-market risks in relation to instruments accounted for at market value or fair value;
 - (iii) shall ensure that proposals to use new strategies or new instrument types, including strategies or instruments related to hedging, are duly assessed to ensure that-
 - (A) the required resources to establish sound and effective interest rate risk management in respect of the product or activity have been properly identified;
 - (B) the proposed activities are in line with the bank's broad business strategy and overall risk appetite;
 - (C) adequate procedures to identify, measure, monitor and control the relevant risks related to or arising from the proposed product or activity have been properly established.
 - (iv) shall ensure that the bank maintains an adequate level of qualifying capital and reserve funds-
 - (A) to continuously support the nature and extent of all the bank's relevant exposures to risk, including the bank's exposure to interest rate risk in the banking book;
 - (B) to withstand the adverse impact of the interest rate shock scenarios respectively envisaged in subregulations (5)(a)(iii)(H) and (5)(a)(iii)(I), without the need for the bank to unexpectedly-
 - (i) increase its issued capital;
 - (ii) increase its allocated capital and reserve funds related to the bank's exposure to interest rate risk in the banking book; or
 - (iii) curtail the bank's dividend distributions.”;
- (d) by the insertion of the following subregulation (5):
 - “(5) Matters related to the measurement and appropriate management of exposure to interest rate risk in the banking book
 - (a) For the measurement and appropriate management of a bank's exposure to interest rate risk in the banking book, in terms of the risk to both the bank's economic value as well as earnings, a bank shall have in place a sufficiently robust risk management framework that, as a minimum-
 - (i) shall include-
 - (A) appropriate approval processes, exposure limits, reviews and other mechanisms designed to provide reasonable assurance that the bank's risk management objectives in respect of its exposure to interest rate risk in the banking book are achieved;
 - (B) regular evaluations and reviews of the bank's internal control system and risk management processes;
 - (C) a comprehensive reporting and review process in respect of the bank's exposure to interest rate risk in the banking book;
 - (D) appropriate escalation procedures in respect of any specified limits that may be exceeded.

- (ii) shall ensure that-
 - (A) the bank-
 - (i) uses an appropriate variety of methodologies to quantify the bank's exposure to interest rate risk in the banking book, under both the economic value and earnings-based measures, ranging from simple calculations based on static simulations using current holdings to more sophisticated dynamic modelling techniques that reflect the bank's potential future business activities;
 - (ii) duly documents, among others, the major data sources used in the bank's risk management and measurement processes;
 - (B) portfolios that may be subject to significant mark-to-market movements are clearly identified within the bank's management information systems, and are subject to appropriate oversight;
- (iii) shall include effective management information and measurement systems-
 - (A) that are able to-
 - (i) identify and quantify all material sources impacting the bank's exposure to interest rate risk in the banking book;
 - (ii) compute economic value and earnings-based measures of the bank's exposure to interest rate risk in the banking book, based upon the relevant interest rate shock and stress scenarios respectively envisaged in items (H) and (I) below;
 - (iii) assess the ability of the bank to generate sufficiently stable earnings to sustain its normal business operations;
 - (iv) measure the bank's vulnerability to loss under stressful market conditions, including a breakdown of key assumptions;
 - (v) appropriately assess and aggregate all material multicurrency exposures, since yield curves vary from currency to currency, that is, when the bank, for example, has material exposures in different currencies the bank shall develop appropriate methods to aggregate its exposure to interest rate risk in the banking book in different currencies, using appropriate assumptions about the correlation between interest rates in the relevant different currencies.
 - (B) that duly capture-
 - (i) interest rate risk data on all the bank's material exposures to interest rate risk in the banking book
 - (ii) the impact of sufficiently severe interest rate shocks-
 - (aa) on the bank's economic value;
 - as well as
 - (bb) on the bank's earnings;
 - (C) that ensure that-
 - (i) the bank continuously measures its exposure to interest rate risk in the banking book, in a timely and accurate manner;

- (ii) data inputs are automated, as much as possible, to reduce the risk of administrative errors;
 - (iii) all relevant data mapping is periodically reviewed and tested against an approved model version;
 - (iv) the bank duly monitors the type of data extracts, and set appropriate controls;
 - (v) all relevant slotting criteria remain stable over time when cash flows are slotted into different time buckets, such as, for example, for purposes of gap analyses, or assigned to different vertex points to appropriately reflect the different tenors of the interest rate curve, to ensure a meaningful comparison of the relevant risk figures over different periods;
- (D) that duly take into consideration the mix of the bank's business lines, products and the risk characteristics of its activities;
- (E) that assess the effect of market changes on the scope of the bank's activities;
- (F) that are sufficiently flexible to incorporate such constraints on the bank's internal risk parameter estimates as may be specified in writing by the Authority;
- (G) that allow the board of directors and senior management to duly understand how an instrument's actual maturity or repricing behaviour may differ from the instrument's contractual terms, due to behavioural optionality;
- (H) that are able to measure or calculate, in respect of each relevant currency in which the bank has material positions or exposure, the expected impact on the bank's economic value of multiple scenarios, based upon-
- (i) the six interest rate shock scenarios specified below:
 - (aa) parallel shock up;
 - (bb) parallel shock down;
 - (cc) steeper shock, that is, short rates down and long rates up;
 - (dd) flattener shock, that is, short rates up and long rates down;
 - (ee) short rates shock up; and
 - (ff) short rates shock down,read with the currency-specific absolute shocks and the formulae respectively specified in Table 1 in sub-item (ii) and in sub-item (iii) below;
 - (ii) the currency-specific absolute shocks specified in Table 1 below:

Table 1: $\bar{R}_{shocktype,c}$

Currency	Parallel	Short	Long
ARS	400	500	300
AUD	300	450	200
BRL	400	500	300
CAD	200	300	150
CHF	100	150	100
CNY	250	300	150
EUR	200	250	100
GBP	250	300	150
HKD	200	250	100
IDR	400	500	350
INR	400	500	300
JPY	100	100	100
KRW	300	400	200
MXN	400	500	300
RUB	400	500	300
SAR	200	300	150
SEK	200	300	150
SGD	150	200	100
TRY	400	500	300
USD	200	300	150
ZAR ¹	400	500	300

1. Or such further currency-specific absolute shocks as may be directed in writing by the Authority.

- (iii) the parameterisations of the relevant instantaneous shock to the risk-free rate through the application of the formulae specified below:

In the case of-

- (aa) a constant parallel shock up or down across all relevant time buckets, for currency c :

$$\Delta R_{parallel,c}(t_k) = \pm \bar{R}_{parallel,c}$$

- (bb) a short rate shock up or down for currency c , that is greatest at the shortest tenor midpoint:

$$\begin{aligned} \Delta R_{short,c}(t_k) &= \pm \bar{R}_{short,c} \cdot S_{short}(t_k) \\ &= \pm \bar{R}_{short,c} \cdot e^{\frac{-t_k}{x}} \end{aligned}$$

which shock, through the shaping scalar

$$S_{short}(t_k) = \left(e^{\frac{-t_k}{x}} \right)$$

where $x = 4$, or such other variable as may be directed in writing by the Authority, diminishes towards zero at the tenor of the longest point in the term structure

and

t_k is the midpoint (in time) of the k^{th} bucket and t_K is the midpoint (in time) of the last bucket K

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For example, assume the bank uses the standardised framework with $K=19$ time bands and with $t_k = 25$ years, that is, the midpoint (in time) of the longest tenor bucket K , and where t_k is the midpoint (in time) for bucket k .

If $k=10$ with $t_k = 3.5$ years, the scalar adjustment for the short shock would be equal to 0.417, determined as follows:

$$S_{short}(t_k) = \left(e^{\frac{-3.5}{4}} \right)$$

The bank shall multiply this result with the value of the short rate shock to obtain the relevant amount to be added to or subtracted from the yield curve at that tenor point, that is, if the short rate shock was +100 bp, the increase in the yield curve at $t_k = 3.5$ years would be 41.7 bp.

- (cc) rotational long rate shocks for currency c , where the shock is greatest at the longest tenor midpoint and is related to the short scaling factor

$$S_{long}(t_k) = 1 - S_{short}(t_k)$$

and

$$\Delta R_{long,c}(t_k) = \pm \bar{R}_{long,c} \cdot S_{long}(t_k) =$$

$$\pm \bar{R}_{long,c} \cdot \left(1 - e^{\frac{-t_k}{x}} \right)$$

- (dd) rotation shocks for currency c involving rotations to the term structure, that is, steepeners and flatteners, of the interest rates whereby both the long and short rates are shocked and the shift in interest rates at each tenor midpoint is obtained by applying the relevant formulae specified below to those shocks:

$$\Delta R_{steepener,c}(t_k) = -0.65 \cdot |\Delta R_{short,c}(t_k)|$$

$$+0.9 \cdot |\Delta R_{long,c}(t_k)|$$

$$\Delta R_{flattener,c}(t_k) = +0.8 \cdot |\Delta R_{short,c}(t_k)|$$

$$-0.6 \cdot |\Delta R_{long,c}(t_k)|$$

For example, in the case of a steepener, assume the same point on the yield curve as in sub-item (bb) above, that is, where $t_k = 3.5$ years.

If the absolute value of the short rate shock was 100 bp and the absolute value of the long rate shock was 100 bp, the change in the yield curve at $t_k = 3.5$ years would be the sum of the effect of the short rate shock plus the effect of the long rate shock in basis points, that is, $-0.65 \cdot 100\text{bp} \cdot 0.417 + 0.9 \cdot 100\text{bp} \cdot (1 - 0.417) = +25.4\text{bp}$.

In the case of a flattener, the corresponding change in the yield curve for the shocks in the aforementioned example at $t_k = 3.5$ years would be: $+ 0.8 \cdot 100\text{bp} \cdot 0.417 - 0.6 \cdot 100\text{bp} \cdot (1 - 0.417) = -1.6\text{bp}$.

- (iv) internally selected interest rate shock scenarios, duly addressing the bank's risk profile, in accordance with the bank's board-approved Internal Capital Adequacy Assessment Process (ICAAP);
 - (v) historical and hypothetical interest rate stress scenarios, which normally tend to be more severe than shock scenarios;
 - (vi) such additional interest rate shock and stress scenarios as may be directed in writing by the Authority;
- (l) that are able to measure or calculate, in respect of each relevant currency in which the bank has material positions or exposure, the expected impact on earnings or net interest income of multiple scenarios, based upon-
- (i) the two interest rate shock scenarios specified below:
 - (aa) parallel shock up; and
 - (bb) parallel shock down;
 - (ii) internally selected interest rate shock scenarios, duly addressing the bank's risk profile, in accordance with the bank's board-approved ICAAP;
 - (iii) historical and hypothetical interest rate stress scenarios, which normally tend to be more severe than shock scenarios;
 - (iv) such additional interest rate shock and stress scenarios as may be directed in writing by the Authority;
- (b) Unless specifically otherwise provided in this regulation 30, whenever a bank-
- (i) computes or calculates its ΔEVE , the bank-
 - (A) shall base the computation or calculation on the assumption of a run-off balance sheet, that is, where existing banking book positions amortise and are not replaced by any new business;
 - (B) shall include all cash flows from all relevant interest rate-sensitive assets, liabilities and off-balance sheet items in the banking book;
 - (C) shall clearly indicate whether it excluded from or included in the respective cash flow amounts commercial margins and any other relevant spread components;
 - (D) shall exclude its own equity from the computation of any relevant exposure value;
 - (E) shall discount all relevant cash flows using either-
 - (i) a risk-free rate, which shall be representative of a risk-free zero coupon rate, such as, for example, a rate derived from a secured interest rate swap curve; or
 - (ii) a risk-free rate that includes commercial margins and other spread components if the bank has included commercial margins and other

spread components in its relevant cash flows,

provided that, as stated hereinbefore, the bank shall clearly indicate or disclose whether it has discounted its cash flows using a risk-free rate or a risk-free rate that includes commercial margins and other spread components;

- (ii) computes or calculates its ΔNII , the bank-
 - (A) shall assume a constant balance sheet, that is, the bank shall assume all maturing or repricing cash flows are replaced by new cash flows with identical features with regard to the amount, repricing period and spread components;
 - (B) shall include all relevant expected cash flows, including any relevant commercial margins and other spread components, arising from all interest rate-sensitive assets, liabilities and off-balance sheet items in the banking book,
 - (iii) is required to disclose its ΔNII , the bank shall disclose the relevant ΔNII as the difference in future interest income over a rolling 12-month period;
- (c) For the measurement of a bank's exposure to interest rate risk in the banking book, based upon a change in economic value, that is, ΔEVE , a bank may choose to adopt the approach and method set out in this paragraph (c), which approach shall for purposes of these Regulations be regarded as the standardised approach for the measurement of a bank's exposure to interest rate risk in the banking book in terms of ΔEVE , provided that-
- (i) the Authority may, in the Authority's sole discretion, direct a bank in writing to adopt the standardised approach and method set out in this paragraph (c) for the measurement of the bank's exposure to interest rate risk in the banking book;
 - (ii) when the bank adopts or the Authority directs the bank in writing to adopt the standardised approach and method set out in this paragraph (c) for the measurement of the bank's exposure to interest rate risk in the banking book, the bank shall, based upon the respective requirements specified in this paragraph (c)-
 - (A) in respect of each relevant currency in which the bank has material positions or exposure, that is, currencies that individually account for 5% or more of either the bank's banking book assets or liabilities, calculate the loss in economic value of equity, that is, $\Delta EVE_{i,c}$ under scenario i and currency c ;
 - (B) allocate all relevant interest rate-sensitive banking book positions into one of the following three categories:
 - (i) positions amenable to standardisation

Positions amenable to standardisation may include positions with embedded automatic interest rate options.

When the bank allocates the relevant notional repricing cash flows in accordance with the respective requirements specified in subparagraph (iv) below, the bank shall in the case of positions with embedded automatic interest rate options, whether sold or bought, ignore that optionality during the process of allocation, and treat the said optionality together with all other relevant automatic interest rate options, as envisaged in subparagraph (ix).

For example-
- (aa) a floating rate loan or debt security with a floor shall for purposes of subparagraph (iv) be treated as if there was no

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floor, that is, the instrument shall be treated as if it will fully reprice at the next reset date, and its full outstanding balance shall be allocated to the relevant corresponding time band in accordance with the relevant requirements specified in subparagraph (iv);

- (bb) a callable bond issued by the bank at a fixed yield shall be treated as if it matured at its longest contractual term, ignoring the relevant call option.
- (ii) positions less amenable to standardisation

A common feature of positions less amenable to standardisation is optionality, which-

- (aa) makes the timing of notional repricing cash flows uncertain; and
- (bb) introduces a non-linearity, which makes delta-equivalent approximations imprecise for large interest rate shock scenarios.

As such, positions less amenable to standardisation shall be excluded from the requirements specified in subparagraph (iv) below related to the allocation of cash flows based on repricing maturities.

A bank shall treat positions with explicit automatic interest rate options, as well as embedded automatic interest rate options in accordance with the relevant requirements specified in subparagraphs (viii) and (ix), where the relevant options must be separated or stripped out from the bank's relevant assets or liabilities, that is, from the relevant host contract.

An example of a product with embedded automatic interest rate options is a floating rate mortgage loan with embedded caps and/or floors. The bank shall treat the notional repricing cash flows for these loans as a fixed rate loan until the next repricing date, thereby ignoring the option, which, instead, shall be treated like a separate automatic interest rate option.

- (iii) positions not amenable to standardisation

Positions not amenable to standardisation include-

- (aa) non-maturity deposits (NMDs);
- (bb) fixed rate loans subject to prepayment risk; and
- (cc) term deposits subject to early redemption risk.

- (C) ensure that any relevant notional repricing cash flow amount, denoted by $CF(k)$, includes-

- (i) any repayment of the relevant principal amount, for example, at the relevant contractual maturity date;
- (ii) any repricing of the relevant principal amount, which repricing shall be deemed to occur at the earliest date at which-
 - (aa) either the bank or its counterparty is entitled to unilaterally change the interest rate; or

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- (bb) the rate on a floating rate instrument changes automatically in response to a change in an external benchmark rate;
- (iii) any interest payment on a tranche of principal that has not yet been repaid or repriced, that is, for purposes of this regulation 30, spread components of interest payments on a tranche of principal that has not yet been repaid and which do not reprice shall be allocated based upon their contractual maturity irrespective of whether the non-amortised principal has been repriced or not,

Provided that for purposes of this subregulation (5)(c), the date of each of the aforementioned repayments, repricing or interest payments in respect of a particular item shall be regarded as that particular item's repricing date.

- (iii) the bank shall in each relevant specified case, based upon, among others, the relevant requirements specified in subparagraphs (iv) and (v) below, in respect of each relevant currency in which the bank has material positions or exposure, project or allocate all the relevant future notional repricing cash flows arising from interest rate-sensitive-
 - (A) assets that are not deducted from the bank's Common Equity Tier 1 (CET1) capital and reserve funds, excluding-
 - (i) any fixed asset, such as real estate;
 - (ii) any intangible asset; and
 - (iii) any equity exposure in the banking book;
 - (B) liabilities, including all non-remunerated deposits, other than any item that forms part of the bank's CET1 capital and reserve funds.

Normally term deposits lock in a fixed rate for a fixed term. However, term deposits are often subject to the risk of early withdrawal, that is, the risk of early redemption.

As such, a bank may only regard term deposits as fixed rate liabilities and allocate their relevant notional repricing cash flows into the relevant time buckets or time bucket midpoints up to their corresponding contractual maturity dates when the bank is able to demonstrate to the satisfaction of the Authority that the depositor has no legal right to withdraw the deposit at an earlier date, and the bank duly enforces that legal right, or the bank imposes a significant penalty in the case of an early withdrawal, that at least compensates the bank for the loss of interest between the date of withdrawal and the contractual maturity date and the economic cost of breaking the contract, provided that-

- (i) when the bank is unable to demonstrate to the satisfaction of the Authority that the aforementioned conditions are met, the bank shall regard the relevant term deposits as being subject to early redemption risk, and allocate the relevant notional repricing cash flows in accordance with the relevant requirements specified in subparagraph (v) below;
- (ii) when relevant, the bank shall allocate any term deposit expected to be redeemed early into the overnight time bucket ($k=1$) or time bucket midpoint (t_1);
- (iii) when the aforementioned term deposits that do not meet the required criteria are issued to wholesale customers, the bank shall assume that the customer will always exercise the right to withdraw in a manner that is most disadvantageous to the bank, that is, the

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bank shall classify the relevant deposits as automatic interest rate options;

and

(C) off-balance sheet items;

- (iv) based upon the aforesaid, the bank shall, in the case of positions amenable to standardisation, based upon the respective position's relevant repricing maturity, allocate the respective notional repricing cash flows to the appropriate time bucket specified in table 1 below, denoted by t^{CF} , provided that the bank may choose whether or not to deduct commercial margins and other spread components from the relevant notional repricing cash flows, using a prudent and transparent methodology.

Table 1

Time bucket intervals ^{1; 2; 3; 4; 5}								
Short-term rates	Overnight (0.0028Y)	O/N < t^{CF} ≤ 1M (0.0417Y)	1M < t^{CF} ≤ 3M (0.1667Y)	3M < t^{CF} ≤ 6M (0.375Y)	6M < t^{CF} ≤ 9M (0.625Y)	9M < t^{CF} ≤ 1Y (0.875Y)	1Y < t^{CF} ≤ 1.5Y (1.25Y)	1.5Y < t^{CF} ≤ 2Y (1.75Y)
Medium-term rates	2Y < t^{CF} ≤ 3Y (2.5Y)	3Y < t^{CF} ≤ 4Y (3.5Y)	4Y < t^{CF} ≤ 5Y (4.5Y)	5Y < t^{CF} ≤ 6Y (5.5Y)	6Y < t^{CF} ≤ 7Y (6.5Y)			
Long-term rates	7Y < t^{CF} ≤ 8Y (7.5Y)	8Y < t^{CF} ≤ 9Y (8.5Y)	9Y < t^{CF} ≤ 10Y (9.5Y)	10Y < t^{CF} ≤ 15Y (12.5Y)	15Y < t^{CF} ≤ 20Y (17.5Y)	t^{CF} > 20Y (25Y)		

1. O/N means overnight; M means months; Y means years.
 2. The number in the table in brackets is the relevant time bucket's midpoint.
 3. All relevant future notional repricing cash flows of all relevant assets, liabilities and off-balance sheet items shall be allocated to the appropriate time bucket based upon-
 - (a) the relevant item's repricing date; or
 - (b) the time bucket midpoints, retaining the maturity of the relevant notional repricing cash flows, provided that in the case of option (b) the relevant notional repricing cash flows shall be split-up between the two relevant adjacent maturity bucket midpoints,
 Provided that any spread component of interest payment on a tranche of principal that has not yet been repaid and which does not reprice shall be allocated based upon the relevant item's contractual maturity, irrespective of whether the non-amortised principal has been repriced or not.
 4. Fixed rate instruments or positions, that is instruments or positions-
 - (a) that generate cash flows that are certain till the point of contractual maturity shall be allocated based upon the instrument or position's contractual maturity, provided that the bank shall allocate all relevant coupon cash flows and periodic or final principal repayments to the relevant time bucket midpoints closest to the contractual maturity;
 - (b) such as, for example, a fixed rate loan without any embedded prepayment option, a term deposit without redemption risk or any other amortising product, such as a mortgage loan.
 5. Floating rate instruments or positions-
 - (a) that is, instruments or positions that generate cash flows that are not predictable past the next repricing date other than that the relevant present value would be reset to par, which instruments are equivalent to a series of coupon payments until the next repricing date and a par notional cash flow at the relevant time bucket midpoint closest to the next reset date bucket;
 - (b) shall be deemed to reprice fully at the relevant first reset date, that is, the bank shall allocate the entire principal amount to the bucket in which that relevant date falls, with no further allocation of notional repricing cash flows to later time buckets or time bucket midpoints, other than any spread component which is not repriced.
- (v) based upon the aforesaid, the bank shall, in the case of positions not amenable to standardisation, duly distinguish between-
- (A) non-maturity deposits (NMDs), that is, deposits that often serve as a stable and cost-effective source of funding for the bank, even when market rates change, but in respect of which the depositor is free to withdraw the funds at any time, since the deposit has no contractually agreed maturity date.

In respect of such NMDs-

- (i) the bank shall duly distinguish between the respective categories or types of deposit, based upon the nature of the deposit and the depositor, that is, the bank shall distinguish between-
 - (aa) retail deposits, that is, deposits placed with the bank by an individual person, which shall be regarded as held in transactional accounts when regular transactions, such as, for example, salaries, are credited or carried out in that account, provided that-
 - (i) deposits made by small business customers and managed by the bank as retail exposures shall for purposes of this item (A) be regarded as having interest rate risk characteristics similar to retail accounts and, as such, may be treated as retail deposits, provided that the total aggregated liabilities raised from one small business customer amounts to less than such amount as may be directed in writing by the Authority from time to time;
 - (ii) any other retail deposits that do not comply with the requirements specified hereinbefore shall be deemed to be held in a non-transactional account.
 - (bb) wholesale deposits, that is, deposits from institutions, persons or entities such as legal entities, sole proprietorships or partnerships; and
 - (cc) non-interest bearing deposits, which, unless specifically otherwise directed in writing by the Authority, shall for purposes of this item (A) be treated in a manner similar to retail deposits.
- (ii) the bank shall also, in respect of each of the aforementioned NMD categories, distinguish between the relevant stable and non-stable and the core and the non-core proportion, based upon observed volume changes during the preceding 10 years.

For the purposes of the aforementioned required distinction-

 - (aa) the stable NMD portion means the portion found to remain undrawn with a high degree of likelihood;
 - (bb) core deposits mean that proportion of stable NMDs which are unlikely to reprice even in an environment of significant changes in interest rates;
 - (cc) NMDs other than the aforementioned categories of NMDs shall be regarded as the non-core portion of NMDs.
- (iii) the bank shall-
 - (aa) aggregate the respective amounts to determine the overall volume and proportion of core deposits of each relevant NMD category, the respective proportions of which shall be limited to the respective percentages specified in Table 2 below; and
 - (bb) allocate the respective cash flow amounts related to each of the aforementioned categories into the appropriate time buckets or time bucket midpoints envisaged hereinbefore, for which purposes the bank shall-

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- (i) regard non-core deposits as overnight deposits and, as such, shall allocate the relevant amounts to the shortest/ overnight time bucket or time bucket midpoint; and
- (ii) for each relevant category of core deposits allocate the relevant amounts up to the maximum average maturity specified in Table 2 below:

Table 2
Caps on core deposits and average maturity by category

	Limit in respect of proportion of core deposits (%)	Limit in respect of average maturity of core deposits (years)
Retail/transactional	90	5
Retail/non-transactional	70	4.5
Wholesale	50	4

- (B) positions with behavioural options, other than NMDs, related to retail customers

A bank shall-

- (i) in respect of fixed rate loans subject to prepayment risk and term deposits subject to early redemption risk, where the bank's retail customers have an option that, when exercised, alters the timing of the bank's cash flows, and which option in turn may be influenced, for example, by factors such as changes in interest rate, in the case of-
 - (aa) fixed rate loans subject to prepayment risk, that is, cases where the customer has an option to repay the loan early, estimate the optionality in the said products by means of the two-step approach specified in item (C) below.
 - (bb) term deposits subject to early redemption risk, that is, cases where the customer has an option to withdraw the deposit before the scheduled date, estimate the optionality in the said products by means of the two-step approach specified in item (D) below.
 - (ii) in the case of any wholesale customer with a behavioural option that may change the bank's expected pattern of notional repricing cash flows, such as, for example, a puttable fixed coupon bond issued by the bank in the wholesale market, in respect of which the owner has the right to sell the bond back to the bank at a fixed price at any time, include the relevant position and option within the category of automatic interest rate options set out in subparagraphs (viii) and (ix);
- (C) fixed rate loans subject to prepayment risk

In respect of fixed rate loans subject to prepayment risk where the relevant economic cost is either not charged to the borrower, which is often being referred to as uncompensated prepayments, or charged only for prepayments above a specified threshold, the bank shall firstly calculate the relevant baseline estimates of loan prepayments based upon the current prevailing term structure of interest rates, and in accordance with such further requirements as may be directed in writing by the Authority, and then

multiply the aforementioned baseline estimates with scenario-dependent scalars that reflect the likely behavioural changes in the exercise of the options, in accordance with the relevant formulae and requirements specified below:

$$CPR_{i,c}^p = \min(1, \gamma_i \cdot CPR_{0,c}^p)$$

where:

$CPR_{0,c}^p$ is the relevant constant baseline conditional prepayment rate (CPR) for each relevant portfolio, denoted by p , of homogeneous prepayment-exposed loans, denominated in currency c , based upon the prevailing term structure of interest rates, provided that, subject to the prior written approval of and such conditions as may be directed in writing by the Authority, a bank may vary the base CPR over the life of each relevant loan in the portfolio, denoted as:

$CPR(k)_{0,c}^p$ for each time bucket k or time bucket midpoint t_k

i is the relevant interest rate scenario, as envisaged in table 3 below

γ_i is the relevant multiplier applied for scenario i , as set out in table 3 below:

Table 3

CPRs under the respective shock scenarios ¹		
Scenario number (i)	Interest rate shock scenarios	γ_i (scenario multiplier)
1	Parallel up	0.8
2	Parallel down	1.2
3	Steeper	0.8
4	Flattener	1.2
5	Short rate up	0.8
6	Short rate down	1.2

1. Since prepayment speeds are likely to vary according to the interest rate shock scenario, the multipliers (γ_i) reflect the expectation that prepayments will generally be higher during periods of falling interest rates and lower during periods of rising interest rates.

In order to ensure that all the relevant scheduled payments are appropriately adjusted for the aforementioned prepayment risk and uncompensated prepayments, the bank shall calculate the relevant cash flows related to the fixed rate loans subject to prepayment risk in accordance with the formula specified below:

$$CF_{i,c}^p(k) = CF_{i,c}^s(k) + CPR_{i,c}^p \cdot N_{i,c}^p(k - 1)$$

where:

The base cash flows, given the current interest rate yield curve and the base CPR, are given by $i = 0$, while the respective interest rate shock scenarios are given for $i = 1$ to 6.

$CF_{i,c}^s(k)$ means the relevant scheduled interest and principal repayment

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$N_{i,c}^p(k-1)$ means the relevant notional outstanding amount at time bucket $k-1$

Provided that when an annual limit applies in respect of uncompensated prepayments, the bank shall appropriately apply that limit in the calculation of the relevant required cash flows.

(D) term deposits subject to early redemption risk

In respect of term deposits subject to early redemption risk the bank shall, in order to appropriately allocate the relevant notional repricing cash flows, firstly calculate the relevant baseline estimates of early withdrawal of fixed-term deposits based upon the current prevailing term structure of interest rates, and in accordance with such further requirements as may be directed in writing by the Authority, and then multiply the aforementioned baseline estimates with scenario-dependent scalars that reflect the likely behavioural changes in the exercise of the options, in accordance with the relevant formulae and requirements specified below:

$$TDRR_{i,c}^p = \min(1, u_i \cdot TDRR_{o,c}^p)$$

that is, the bank shall obtain the relevant term deposit redemption ratio for time bucket k or time bucket midpoint t_k , applicable to each relevant homogeneous portfolio p of term deposits in currency c and under scenario i , by multiplying $TDRR_{o,c}^p$ with a scalar, denoted by u_i , which depends on the scenario i

where:

$TDRR_{o,c}^p$ means the relevant baseline term deposit redemption ratio applicable to each relevant homogeneous portfolio p of term deposits in currency c

i is the relevant scenario, envisaged in table 4 below

u_i is the relevant scalar applied for scenario i , as set out in table 4 below:

Table 4

Term deposit redemption rate (TDRR) scalars under the relevant shock scenarios		
Scenario number (i)	Interest rate shock scenarios	Scalar multipliers u_i
1	Parallel up	1.2
2	Parallel down	0.8
3	Steeper	0.8
4	Flattener	1.2
5	Short rate up	1.2
6	Short rate down	0.8

and

$$CF_{i,c}^p(1) = TD_{0,c}^p \cdot TDRR_{i,c}^p$$

means the relevant notional repricing cash flows expected to be withdrawn

early under interest rate shock scenario i

where:

$TD_{0,c}^p$ is the relevant outstanding amount of term deposits of type p

- (vi) the bank shall then, in respect of each relevant currency in which the bank has material positions or exposure, and for all the relevant interest rate shock scenarios envisaged hereinbefore, determine the relevant Δ EVE, prior to the add-on that relates to any relevant interest rate option, envisaged in subparagraphs (viii) and (ix) below, that is, in respect of-
- (A) each relevant scenario i , based upon the respective requirements specified hereinbefore, the bank shall-
- (i) allocate the respective notional repricing cash flows into the respective time bucket $k \in \{1,2, \dots, K\}$ or time bucket midpoint $t_k, k \in \{1,2, \dots, K\}$;
- (ii) within a given time bucket k or time bucket midpoint t_k , net all relevant positive and negative notional repricing cash flows, to form a single long or short position;
- (iii) then eventually have a set of notional repricing cash flows across all relevant time buckets or time bucket midpoints, $CF_{i,c}(k)$ or $CF_{i,c}(t_k)$, $k \in \{1,2, \dots, K\}$;
- (B) each relevant time bucket k or time bucket midpoint t_k the bank shall calculate weighted net notional repricing cash flows, which may be positive or negative, that reflects the interest rate shock scenario i in currency c , by means of the application of a continuously compounded discount factor, in accordance with the formula specified below:

$$DF_{i,c}(t_k) = \exp(-R_{i,c}(t_k) \cdot t_k)$$

where:

t_k is the midpoint of time bucket k ;

and

the bank shall discount the respective cash flows by using either a risk-free rate, representative of a risk-free zero coupon rate, or a risk-free rate including commercial margin and other spread components when the bank has included commercial margins and other spread components in the relevant cash flow amounts.

- (vii) based upon the aforesaid, the bank shall then aggregate the respective risk-weighted net positions, in order to determine the EVE in currency c under scenario i , excluding automatic interest rate option positions, as follows:

In the case of a bank that uses-

- (A) maturity buckets

$$EVE_{i,c}^{nao} = \sum_{k=1}^K CF_{i,c}(k) \cdot DF_{i,c}(t_k)$$

(B) maturity bucket midpoints

$$EVE_{i,c}^{nao} = \sum_{k=1}^K CF_{i,c}(t_k) \cdot DF_{i,c}(t_k)$$

(viii) the bank shall then, in accordance with the relevant requirements specified in subparagraph (ix) below, calculate the relevant required add-on in respect of all relevant explicit and embedded sold automatic interest rate options, such as, for example-

- (A) caps and floors, which are often embedded in banking products;
- (B) swaptions, such as prepayment options on non-retail products;
- (C) behavioural option positions with wholesale customers that may change the pattern of notional repricing cash flows,

Provided that-

- (i) all relevant interest rate options sold shall be subject to full revaluation; and
 - (ii) the bank may choose to also include in the relevant calculation-
 - (aa) all bought automatic options; or
 - (bb) only automatic options used to hedge sold automatic interest rate options.
- (ix) the bank shall then calculate the relevant total measure related to automatic interest rate option risk under interest rate shock scenario i in currency c , in accordance with the formulae specified below:

$$KAO_{i,c} = \sum_{o=1}^{n_c} \Delta FVAO_{i,c}^o - \sum_{q=1}^{m_c} \Delta FVAO_{i,c}^q$$

where:

$\Delta FVAO_{i,c}^o$ means the change in value for each sold automatic option o in currency c , for each relevant interest rate shock scenario i

that is, based upon the relevant methodology and any specific conditions specified in writing by the Authority, the bank shall determine the value change by:

- estimating the value of the option to the option holder, given:
 - a yield curve in currency c under the interest rate shock scenario i ; and
 - a relative increase in the implicit volatility of 25%;

minus

- the value of the sold option to the option holder, given the yield curve in currency c at the valuation date.

n_c means the number of sold options in currency c

$\Delta FVAO_{i,c}^q$ means, in respect of every relevant bought automatic interest rate option, denoted by q , the relevant change in the option's value between interest rate shock scenario i and the current interest rate term structure, combined with a relative increase in the implicit volatility of 25%,

m_c means the number of bought options in currency c

Provided that, when the bank decided to include only bought automatic interest rate options used to hedge sold automatic interest rate options in the calculations up to this point, the bank shall, in respect of all the relevant remaining bought options, add to the total automatic interest rate option risk measure determined in accordance with the requirements specified hereinbefore, that is, $KAO_{i,c}$, any changes in the market values reflected in the bank's respective components of capital and reserve funds, such as, for example, CET1, AT1 or total capital.

- (x) the bank shall then subtract $EVE_{i,c}^{nao}$ from the EVE in respect of the current interest rate term structure $EVE_{0,c}^{nao}$ and add the total measure for automatic interest rate option risk $KAO_{i,c}$ to obtain the full change in EVE in currency c associated with scenario i , as follows:

In the case of a bank that uses-

- (A) maturity buckets

$$\Delta EVE_{i,c} = \sum_{k=1}^K CF_{0,c}(k) \cdot DF_{0,c}(t_k) - \sum_{k=1}^K CF_{i,c}(k) \cdot DF_{i,c}(t_k) + KAO_{i,c}$$

- (B) maturity bucket midpoints

$$\Delta EVE_{i,c} = \sum_{k=1}^K CF_{0,c}(t_k) \cdot DF_{0,c}(t_k) - \sum_{k=1}^K CF_{i,c}(t_k) \cdot DF_{i,c}(t_k) + KAO_{i,c}$$

- (xi) the bank shall then finally calculate the amount of ΔEVE in respect of its exposure to interest rate risk in the banking book as the maximum of the worst aggregated reductions to EVE across the relevant specified six interest rate shock scenarios, that is, the bank shall aggregate the respective EVE losses $\Delta EVE_{i,c} > 0$ under a given interest rate shock scenario i , and the maximum loss across the respective interest rate shock scenarios shall be the bank's relevant required EVE risk measure, which is expressed mathematically as:

Standardised EVE risk measure =

$$\max_{i \in \{1,2,\dots,6\}} \left\{ \max \left(0; \sum_{c: \Delta EVE_{i,c} > 0} \frac{\Delta EVE_{i,c}}{\text{loss in currency } c} \right) \right\}$$

- (d) A bank's risk and internal capital adequacy assessment process (ICAAP) and related measures-
- (i) shall duly take into consideration the complementary nature of economic value and

earnings-based measures in terms of, for example-

- (A) outcomes, in respect of which-
 - (i) the economic value measures typically compute a change in the net present value of the bank's assets, liabilities and off-balance sheet items subject to specific interest rate shock and stress scenarios; whilst
 - (ii) the earnings-based measures typically focus on changes to future profitability within a given time horizon, eventually affecting future levels of the bank's own equity capital;
- (B) assessment horizons, in respect of which-
 - (i) the economic value measures typically reflect changes in value over the remaining life of the bank's assets, liabilities and off-balance sheet items, that is, until all positions have completely run off; whilst
 - (ii) the earnings-based measures typically cover only the short to medium term, and therefore do not completely capture risks that will continue to impact the bank's profit and loss accounts beyond the period of estimation;
- (C) future business, in respect of which-
 - (i) the economic value measures typically consider the net present value of repricing cash flows of instruments on the bank's balance sheet or accounted for as an off-balance sheet item, that is, a so-called run-off view; whilst
 - (ii) the earnings measures may, in addition to a so-called run-off view, assume rollover of maturing items, that is, a so-called constant balance sheet view, and/or assess the scenario-consistent impact on the bank's future earnings inclusive of future business, that is, a so-called dynamic view.
- (ii) shall comply with the relevant requirements specified in subregulation (7), and such further requirements as may be directed in writing by the Authority.
- (e) A bank's stress testing framework related to its exposure to interest rate risk in the banking book-
 - (i) shall facilitate and actively promote ongoing effective collaboration between all relevant senior executives or functions responsible for the identification of relevant shock and stress scenarios, the application of sound modelling approaches and the appropriate use of the stress testing results, which may include, for example, the treasury department, the finance department, traders, the ALCO, the risk management and risk control departments and/or the bank's economist(s);
 - (ii) shall be sufficiently robust to ensure that-
 - (A) the bank determines a range of potential interest rate movements, per currency in which the bank has material positions or exposure, against which the bank then measures its exposure to interest rate risk in the banking book;
 - (B) the bank's risk exposure is measured under a reasonable range of potential interest rate scenarios, including some containing sufficiently severe stress elements;
 - (C) when the bank develops relevant scenarios, a variety of factors are

considered, such as, for example-

- (i) the shape and level of the current term structure of interest rates;
 - (ii) the historical and implied volatility of interest rates;
 - (iii) interest rate assumptions to measure the bank's exposure to changes in interest rate volatilities, since the market value of options, for example, fluctuates with changes in the volatility of interest rates;
 - (iv) the need to also consider the possibility of negative interest rate scenarios;
 - (v) the possibility of asymmetrical effects of negative interest rates on the bank's assets and liabilities;
- (D) when the bank develops its interest rate shock and stress scenarios for its exposure to interest rate risk in the banking book-
- (i) the scenarios-
 - (aa) are sufficiently wide-ranging to identify parallel and non-parallel gap risk, basis risk and option risk;
 - (bb) are both sufficiently severe and plausible, in light of the existing level of interest rates and the interest rate cycle;
 - (cc) include forward-looking scenarios that incorporate-
 - (i) changes in portfolio composition due to factors under the control of the bank, such as, for example, the bank's acquisition and production plans, as well as external factors, such as, for example, changing competitive, legal or tax environments;
 - (ii) new products where only limited historical data are available;
 - (iii) new market information and new emerging risks that are not necessarily covered by historical stress episodes;
 - (ii) the bank duly considers material concentrations in instruments or markets, since it is more difficult to liquidate or offset concentrated positions in a stressful market environment;
 - (iii) the bank clearly specifies the term structure of interest rates that will be incorporated and the basis relationship between the relevant yield curves, rate indices, etc.;
 - (iv) the bank estimates how interest rates administered or managed by management, such as, for example, prime rates or retail deposit rates, as opposed to those that are purely market driven, might change;
 - (v) the bank duly assesses-
 - (aa) the possible interaction between its exposure to interest rate risk in the banking book and other related risks, as well as any other relevant risks, such as, for example, credit risk and liquidity risk;

- (bb) the effect of adverse changes in the spreads of new assets or liabilities replacing assets or liabilities that mature over the horizon of the bank's forecast of its net interest income (NII);
- (vi) the bank duly documents all relevant assumptions;
- (E) when the bank is exposed to significant option risk, the aforementioned scenarios include scenarios that appropriately capture the exercise of such options.

For example, when the bank has products with sold caps or floors, the bank shall include scenarios that assess how the risk positions would change should those caps or floors move into the money.
- (F) the bank performs qualitative and quantitative reverse stress tests in order to, at least-
 - (i) identify interest rate scenarios that could severely threaten the bank's capital and earnings; and
 - (ii) reveal vulnerabilities arising from the bank's hedging strategies and the potential behavioural reactions of its customers.”;
- (e) by the insertion of the following subregulation (6):
 - “(6) Matters related to behavioural and modelling assumptions
 - (a) Since both the economic value and earnings-based measures of a bank's exposure to interest rate risk in the banking book are likely to be significantly impacted by assumptions made for risk quantification purposes, the bank-
 - (i) shall obtain the prior written approval of its board of directors or a board-approved committee in respect of any material behavioural assumptions or adjustments made in the measurement of the bank's exposure to interest-rate risk in the banking book;
 - (ii) shall ensure that its modelling assumptions are at least conceptually sound, reasonable and consistent with historical experience;
 - (iii) shall periodically perform sensitivity analyses in respect of both economic value and earnings-based measures for all its key assumptions to monitor their impact on the bank's measured exposure to interest rate risk in the banking book;
 - (iv) shall on a sufficiently frequent basis test the appropriateness of all its key behavioural and measurement assumptions.

Since market conditions, competitive environments and strategies change over time, the bank shall review significant measurement assumptions at least annually, or more frequently during rapidly changing market conditions.

For example, when the competitive market has changed such that consumers have lower transaction costs available to them for refinancing their residential mortgages, prepayments may become more sensitive to smaller changes in interest rates.
 - (v) shall consider, among others, the materiality of the impact of behavioural optionalities within floating rate loans, since the behaviour of prepayments arising from embedded caps and floors may have a material impact on the bank's economic value of equity;
 - (vi) shall duly document-

- (A) all material assumptions made underlying the bank's exposure to interest rate risk in the banking book;
- (B) all changes made over time to the assumptions related to key parameters;
- (C) how the assumptions may potentially affect the bank's hedging strategies;

Provided that on prior written request, the bank shall in writing provide to the Authority any relevant required information relating to the assumptions or adjustments approved by the bank's board of directors or board-approved committee in respect of the bank's exposure to interest-rate risk in the banking book.

- (b) The assumptions envisaged in paragraph (a) hereinbefore may, for example, related to-
 - (i) the volume and type of-
 - (A) new or replacement assets and liabilities expected to be originated over the time period that the bank assesses its exposure to interest rate risk in the banking book;
 - (B) asset and liability redemptions or reductions over the time period that the bank assesses its exposure to interest rate risk in the banking book;
 - (ii) the interest rate bases and margins associated-
 - (A) with the aforementioned new assets and liabilities; and
 - (B) with assets and liabilities redeemed or withdrawn;
 - (iii) the impact of any fees collected and/ or paid for the exercise of options;
 - (iv) expectations for the exercise of explicit and/ or embedded interest rate options, by both the bank and its customers, under specific interest rate shock and stress scenarios;
 - (v) the treatment of balances and interest flows arising from non-maturity deposits;
 - (vi) the treatment of the implied investment term of own equity;
 - (vii) the implications of accounting practices for the measurement of the bank's exposure to interest rate risk in the banking book;
 - (viii) business growth;
 - (ix) product mix; or
 - (x) how an instrument's actual maturity or repricing behaviour may differ from the instrument's contractual terms, as a result of behavioural optionalities,
- (c) A bank shall ensure that its exposure to behavioural optionalities in its respective products and portfolios is well understood, at least by the bank's board of directors and senior management, which products, portfolios and behavioural optionalities, for example, may include or relate to-
 - (i) the bank's fixed rate loans subject to prepayment risk

As such, the bank shall ensure that-

 - (A) it makes reasonable and prudent estimates in respect of any expected prepayment risk;
 - (B) it understands-

- (i) the nature of prepayment risk in relation to its respective products and portfolios;
- (ii) the factors that were applied in estimating the effect of each interest rate shock and stress scenario on the average prepayment speed;
- (C) it duly assesses the expected average prepayment speed under each relevant scenario;
- (D) it duly documents the assumptions underlying the said estimates and where prepayment penalties or other contractual features affect the embedded optionalities.
- (ii) the bank's fixed rate loan commitments in respect of which the bank, for example, may sell options to retail customers, such as prospective mortgage buyers in terms of which, for a limited period, the customers may choose to draw down a loan at a committed rate;
- (iii) the bank's term deposits subject to early redemption risk, that is, the bank may, for example, attract deposits with a contractual maturity term or with step-up clauses that enable the relevant depositors at different time periods to modify the speed of redemption.

As such, the bank shall duly document whether a term deposit, for example, is subject to redemption penalties or to other contractual features that preserve the cash flow profile of the instrument.

- (iv) non-maturity deposits in respect of which the bank's behavioural assumptions relating to a specific repricing date may have a material impact on the bank's exposure to interest rate risk in the banking book, under both the economic value and the earnings-based measures.

As such, the bank must-

- (A) duly document, monitor and regularly update the respective key assumptions made in relation to its non-maturity deposits and the behaviour applied in the bank's risk measurement and information systems, which assumptions may vary according to-
 - (i) depositor characteristics, such as, for example, retail deposits versus wholesale deposits; and
 - (ii) account characteristics, such as, for example, transactional versus non-transactional deposits or funding;
- (B) analyse its depositor base in order to identify, among others, the relevant proportion of core deposits which are unlikely to reprice even under significant changes in the interest rate environment;
- (d) Based upon, among others, the respective requirements specified in paragraph (c) hereinbefore, the bank shall carefully consider how the exercise of behavioural optionalities may vary not only under a particular interest rate shock or stress scenario but also across other dimensions, such as, for example, in relation to the product or portfolio dimensions envisaged in table 1 below:

Table 1

Product	Dimensions influencing the exercise of the embedded behavioural options
Fixed rate loans subject to prepayment risk	When the bank models prepayment behaviour, the bank must consider- (a) loan size, loan-to-value (LTV) ratio, borrower characteristics, contractual interest rates, seasoning, geographical location, original and remaining maturity, and other historical factors; (b) other macroeconomic variables such as stock indices, unemployment rates, GDP, inflation and housing price indices.
Fixed rate loan commitments	(a) Borrower characteristics, geographical location (including competitive environment and local premium conventions), customer relationship with the bank as evidenced by cross-products, remaining maturity of the commitment, seasoning and remaining term of the mortgage.
Term deposits subject to early redemption risk	When the bank models deposit redemption behaviour the bank must consider- (a) deposit size, depositor characteristics, funding channel, such as direct or brokered deposit, contractual interest rates, seasonal factors, geographical location and the competitive environment, remaining maturity and other historical factors; (b) other relevant macroeconomic variables such as stock indices, unemployment rates, GDP, inflation and housing price indices.
Non-maturity deposits	(a) Responsiveness of product rates to changes in market interest rates, current level of interest rates, spread between a bank's offer rate and market rate, competition from other banks, the bank's geographical location and demographic and other relevant characteristics of its customer base.

- (e) A bank shall maintain an appropriate audit trail in respect of the data underlying the base models used for the completion of the form BA 330, which audit trail-
- (i) shall include a comprehensive reconciliation between the relevant amounts of assets and liabilities included in the bank's management and board reports and the relevant assets and liabilities relating to banking activities respectively included in the forms BA 330 and BA 100;
 - (ii) shall duly explain any relevant reconciliation differences;
 - (iii) on prior written request, shall be submitted in writing to the Authority.”;
- (f) by the insertion of the following subregulation (7):

“(7) Matters related to the bank's Internal Capital Adequacy Assessment Process (ICAAP)

Based upon, among others, the relevant requirements specified in regulation 38 read with regulation 39, a bank shall ensure that-

- (a) its overall levels of qualifying capital and reserve funds and required capital and reserve funds are commensurate with-
 - (i) the bank's actual measured level of all relevant material exposures to risk, including the bank's exposure to interest rate risk in the banking book; and
 - (ii) the bank's board-approved risk appetite;

- (b) the assessment, measurement and stress testing of the bank's exposure to interest rate risk in the banking book form an integral part of the bank's ICAAP;
- (c) the contribution of the bank's exposure to interest rate risk in the banking book to the overall internal capital assessment is based upon, among others, all relevant outputs from the bank's risk management framework and systems, appropriately taking into account all relevant key assumptions and risk limits;
- (d) the methodology and approach implemented by the bank for capital allocation duly take into consideration, among others-
 - (i) the bank's risk appetite for exposure to interest rate risk in the banking book;
 - (ii) the composition, respective aggregate amounts and quality of the bank's qualifying capital and reserve funds;
 - (iii) all relevant material risks to the bank's economic value, that are embedded in the bank's assets, liabilities and off-balance sheet items;
 - (iv) the adequacy of the bank's capital buffers given the potential risk to future earnings, that is, the possibility that the bank's future earnings may be lower than expected;
- (e) as an integral part of its capital adequacy assessment in relation to interest rate risk in the banking book, the bank also duly considers, among others-
 - (i) the size and tenor of all relevant internal limits, and whether those limits are/ were ever reached at the point of calculating the relevant required amount of capital and reserve funds;
 - (ii) the effectiveness and expected cost of hedging open positions that are intended to take advantage of internal expectations of the future level of interest rates;
 - (iii) the sensitivity of internal measures of the bank's exposure to interest rate risk in the banking book to key modelling assumptions;
 - (iv) the impact of shock and stress scenarios on positions priced off different interest rate indices, that is, the bank's respective exposures to basis risk;
 - (v) the impact on economic value and NII of material mismatched positions in different currencies;
 - (vi) the distribution of required capital relative to risks-
 - (A) associated with key business lines; and
 - (B) across legal entities that form part of the bank's capital consolidation for the group,
 in addition to the adequacy of the bank or controlling company's overall capital on a consolidated basis;
 - (vii) the respective key drivers of the respective underlying risks; and
 - (viii) the circumstances under which the respective material exposures to risk are likely to crystallise.";
- (g) by the insertion of the following subregulation (8):
 - "(8) Matters related to internal validation
 - (a) A bank shall have in place an effective validation framework and a formal board-approved

policy related to the validation of the bank's measurement methods and assessment of the corresponding model risk in respect of the bank's exposure to interest rate risk in the banking book-

- (i) which validation framework, as a minimum, shall include the core elements specified below:
 - (A) an evaluation of conceptual/methodological soundness, including developmental evidence;
 - (B) ongoing model monitoring, including process verification and benchmarking; and
 - (C) outcomes analysis, including backtesting of key internal parameters, such as, for example, stability of deposits, prepayments, early redemptions and the pricing of instruments;
- (ii) which board-approved policy, as a minimum-
 - (A) shall clearly specify-
 - (i) the respective roles and responsibilities of the senior management or ALCO in relation to the management of the bank's exposure to interest rate risk in the banking book;
 - (ii) all relevant model oversight responsibilities as well as responsibilities for policies, including the development of initial and ongoing validation procedures, evaluation of results, approval, change and version control, exception, escalation, modification and decommission processes;
 - (B) shall clearly designate the respective responsibilities for the development, implementation and use of all the relevant models;
 - (C) shall be reviewed by the board of directors or the ALCO to which the board may have delegated the relevant specified responsibilities, on a sufficiently frequent basis;
 - (D) shall be sufficiently granular and robust to ensure that-
 - (i) an appropriate hierarchical process is established and maintained to determine model risk soundness based upon both quantitative and qualitative dimensions, such as size, impact, past performance and familiarity with the modelling technique employed;
 - (ii) the management process related to model risk and interest rate risk measures follows a holistic approach that commences with proper motivation, development and implementation by model owners and users;
 - (iii) prior to receiving authorisation for usage, the process for determining model inputs, assumptions, modelling methodologies and outputs is reviewed and validated independently of the development of the interest rate risk models;
 - (iv) all relevant review and validation results, and any recommendations on model usage, are presented to and approved by the bank's board of directors or its relevant delegates;
 - (v) upon approval, the model is subject to ongoing review, process verification and validation at a frequency consistent with the level of model risk determined and approved by the bank's board of

directors;

- (vi) the bank's ongoing validation process establishes an appropriate set of exception trigger events that oblige the model reviewers to duly inform the bank's board of directors or its delegates, in a timely manner, in order to determine appropriate corrective actions and/or restrictions on model usage;
- (vii) clear version control authorisations are designated, where appropriate, to model owners;
- (viii) the bank's validation process includes models developed by third-party vendors and all model inputs or assumptions sourced from related modelling processes or sub-models;
- (ix) all relevant model specification choices are duly documented and appropriately explained as part of the bank's validation process;
- (x) when the bank purchased an interest rate risk model, the bank duly documents the model's use, including any relevant customisation;
- (xi) when vendors provide input for market data, behavioural assumptions or model settings, the bank has in place a sufficiently robust process to determine whether those inputs are reasonable, given the bank's business and the risk characteristics related to its products, markets and activities.”;

(h) by the insertion of the following subregulation (9):

“(9) Matters related to disclosure

- (a) In addition to and without derogating from any disclosure requirements related to a bank's exposure to interest rate risk in the banking book specified-
 - (i) in paragraph (b) below;
 - (ii) in paragraph (c) below; or
 - (iii) in writing by the Authority,

a bank shall from the relevant date and in accordance with such requirements or conditions as may be determined in writing by the Authority disclose to the public, on a sufficiently detailed and regular basis-

- (A) the relevant level of the bank's exposure to interest rate risk in the banking book;
- (B) the relevant measured amounts of Δ EVE and Δ NII under the relevant interest rate shock scenarios respectively envisaged in subregulations (5)(a)(iii)(H) and (5)(a)(iii)(I);
- (C) qualitative information to enable the public-
 - (i) to monitor the sensitivity of the bank's economic value and earnings to changes in interest rates;
 - (ii) to understand the primary assumptions underlying the bank's measurement of its exposure to interest rate risk in the banking book;
 - (iii) to have a reasonable understanding of the bank's overall objective and management of interest rate risk in the banking book,

Provided that in addition to the information required to be disclosed, as set out, for example, in paragraphs (b) and (c) below, the bank shall disclose to the public such additional information on the bank's internal measures of its exposure to interest rate risk in the banking book as the bank deems appropriate to assist the users of the information to better interpret or understand the relevant information required to be disclosed in terms of the relevant requirements specified in this regulation 30;

- (b) Based upon the relevant requirements specified in this paragraph (b), read with the relevant further directives or requirements set out in paragraph (c), a bank shall, as a minimum and at least on an annual basis, from the relevant date and in accordance with such requirements or conditions as may be determined in writing by the Authority, disclose to the public qualitative information related to the bank's risk management objectives and relevant policies related to its exposure to interest rate risk in the banking book, including-
- (i) a sufficiently detailed description of how the bank defines its exposure to interest rate risk in the banking book, for risk management, risk control and measurement purposes;
 - (ii) a sufficiently detailed description of the bank's overall management and mitigation strategies related to its exposure to interest rate risk in the banking book, such as, for example-
 - (A) the monitoring of EVE and NII in relation to any specified or established limits;
 - (B) the bank's hedging practices;
 - (C) the bank's process and conduct of stress testing;
 - (D) the bank's relevant outcomes analysis;
 - (E) the role of independent audit;
 - (F) the role and practices of the bank's ALCO;
 - (G) the bank's process and practices to ensure appropriate model validation;
 - (H) the bank's processes and practices to ensure timely updates in response to changing market conditions;
 - (iii) the periodicity with which the bank calculates or measures its exposure to interest rate risk in the banking book, and a description of the specific measures the bank uses to gauge its sensitivity to exposure to interest rate risk in the banking book;
 - (iv) a sufficiently detailed description of the interest rate shock and stress scenarios the bank uses to estimate changes in its economic value and in earnings;
 - (v) when the bank applies significant modelling assumptions to calculate, for example, EVE for purposes related to the bank's internal assessment of capital adequacy, and those modelling assumptions are different from the modelling assumptions envisaged in this paragraph (b) read with paragraph (c) below, the bank shall provide a sufficiently detailed description of those assumptions and of their directional implications, and explain the rationale for making those assumptions, such as, for example, historical data, published research or management judgment;
 - (vi) a high-level description of how the bank hedges its exposure to interest rate risk in the banking book, as well as the associated accounting treatment;
 - (vii) a high-level description of key modelling and parametric assumptions used in the calculation of Δ EVE and Δ NII referred to in paragraph (c) below, which include, for example-

- (A) in the case of Δ EVE, whether commercial margins and other spread components have been included in or excluded from the cash flows used in the computation and discount rate used;
 - (B) how the average repricing maturity related to non-maturity deposits required to be disclosed in terms of the provisions of paragraph (c) below has been determined, including any unique product characteristics that affect assessment of repricing behaviour;
 - (C) the methodology used to estimate the prepayment rates of customer loans, and/or the early withdrawal rates for time deposits, and any other related significant assumptions;
 - (D) any other material assumptions, such as, for example, in the case of instruments with behavioural optionality that may have been excluded, that may have a material impact on the bank's disclosed Δ EVE and Δ NII envisaged in paragraph (c) below, including a sufficiently detailed explanation of why these are regarded as material;
 - (E) the bank's relevant method(s) of aggregation across currencies in which the bank has material positions or exposure and any significant interest rate correlations between the respective different currencies;
 - (F) such further information that the bank regards as sufficiently important for the interpretation of the significance and sensitivity of the bank's exposure measures related to interest rate risk in the banking book and/or an explanation of any significant variations in the level of the reported exposure to interest rate risk in the banking book since the bank's previous set of disclosures;
- (c) Based upon the relevant requirements specified in this paragraph (c), read with the relevant further directives or requirements set out in paragraph (b) above, a bank shall, as a minimum and at least on an annual basis, and concurrent with the publication of its annual financial statements, based upon the information as at the bank's financial year-end, from the relevant date and in accordance with such requirements or conditions as may be determined in writing by the Authority, disclose to the public the relevant quantitative information related to its exposure to interest rate risk in the banking book, in the format set out below, provided that, unless specifically otherwise provided, a bank shall base any relevant quantitative information required to be disclosed in terms of the provisions of this paragraph (c) on the daily or monthly average for the year whenever an average number is required to be disclosed; or in relevant cases, on the data as at the relevant reporting date:
- (i) In respect of each of the relevant interest rate shock scenarios respectively envisaged in subregulations (5)(a)(iii)(H) and (5)(a)(iii)(I), the bank shall report, in respect of the current reporting period and the period immediately preceding the current reporting period, in the format specified below,
 - (A) based upon the bank's internal management information systems or the standardised framework set out in subregulation (5)(c) hereinbefore, as the case may be, the relevant change in the economic value of equity, using a run-off balance sheet and an instantaneous shock; and
 - (B) the change in projected NII over a forward-looking rolling 12-month period compared with the bank's own best estimate 12-month projections, using a constant balance sheet assumption and an instantaneous shock:

That is:

In reporting currency	ΔEVE		ΔNII		
	Period	T	T-1	T	T-1
Parallel up					
Parallel down					
Steeper					
Flattener					
Short rate up					
Short rate down					
Maximum					
	Period	T		T-1	
Tier 1 capital					

Provided that, in all relevant cases, the bank shall also provide a sufficiently comprehensive explanation of any material changes since the previous reporting period.

- (ii) In the case of the bank's non-maturity deposits-
- (A) the average repricing maturity assigned to the relevant non-maturity deposits; and
- (B) the longest repricing maturity assigned to the relevant non-maturity deposits.”;
- (i) by the renumbering of the current subregulation (5) as subregulation (10);
- (j) by the substitution of the entire renumbered subregulation (10), previously subregulation (5), with the following subregulation (10):
- “(10) A bank shall complete the form BA 330 in accordance with such requirements or instructions as may be issued or directed in writing by the Authority.”.

Amendment of regulation 39 of the Regulations

4. Regulation 39 of the Regulations is hereby amended:

- (a) by the substitution for subregulation (1) of the following subregulation:
- “(1) The board of directors of a bank is ultimately responsible for ensuring that an adequate and effective process of corporate governance, which is consistent with the nature, size, complexity and risk inherent in the bank's on-balance sheet and off-balance sheet activities and that appropriately responds to changes in the bank's environment and conditions, is established and maintained, provided that the board of directors may appoint supporting committees to assist it with its respective responsibilities.”;
- (b) by the substitution for subregulation (2) of the following subregulation:
- “(2) The process of corporate governance referred to in subregulation (1) includes the maintenance of effective risk management, capital management and liquidity management by a bank.”;
- (c) by the substitution in subregulation (4) for the introductory words preceding paragraph (a) of the following introductory words:
- “(4) In order to achieve the objective relating to the maintenance of effective risk management, capital management and liquidity management envisaged in subregulation (2), every bank shall have in place comprehensive and sufficiently integrated risk-management processes, practices and procedures, and board-approved policies-”.

Amendment of regulation 67 of the Regulations

5. Regulation 67 of the Regulations is hereby amended:

(a) by the insertion after the definition of “associate” of the following definition:

“**automatic option risk**” in relation to interest rate risk in the banking book means the risk that arises from-

- (a) standalone instruments, such as, for example, exchange-traded or over-the-counter option contracts; or
- (b) contractual terms explicitly embedded within an otherwise standard financial instrument, such as, for example, a capped rate loan;”;

(b) by the insertion after the definition of “Basel III” of the following definition:

“**basis risk**” in relation to interest rate risk in the banking book means the risk that arises from-

- (a) the impact of relative changes in interest rates for financial instruments or positions with similar tenors but that are priced or repriced based upon different interest rate indices or bases;
- (b) the imperfect correlation in the adjustment of the rates earned and the rates paid on different instruments with otherwise similar rate change characteristics;”;

(c) by the insertion after the definition of “basis transaction” of the following definition:

“**behavioural option risk**” in relation to interest rate risk in the banking book means the risk that arises from flexibility embedded implicitly or otherwise within the terms of financial contracts, such that a change in interest rates may effect a change in the behaviour of the bank’s clients, such as, for example, the right of borrowers to prepay their loans earlier, with or without penalty, or the right of depositors to withdraw their deposits earlier, in search of a higher yield;”;

(d) by the insertion after the definition of “credit-linked note” of the following definition:

“**credit spread risk in the banking book**” is a risk related to interest rate risk in the banking book, that includes any type of asset/ liability spread risk of instruments with inherent credit risk related characteristic that is not fully explained by interest rate risk in the banking book or by the relevant expected credit/jump to default risk;”;

(e) by the insertion after the definition of “funded credit-derivative instrument” of the following definition:

“**gap risk**” in relation to interest rate risk in the banking book means the risk that arises from-

- (a) the term structure of a bank’s banking book instruments or positions; and
- (b) the timing of rate changes in respect of the said instruments or positions,

the extent of which in turn is influenced by whether changes to the term structure of interest rates occur-

- (i) consistently across the yield curve, which is often being referred to as parallel risk, or
- (ii) differentially by period, which is often being referred to as non-parallel risk;”;

(f) by the substitution for the definition of “insurer” of the following definition:

“**insurer**” in relation to the institutional and maturity breakdown of liabilities and assets means any privately or publicly incorporated mutual or other entity established in terms of the Insurance Act, 2017 (Act No 18 of 2017) read with the Long-term Insurance Act, 1998 (Act No 52 of 1998) or the Short-term Insurance Act, 1998 (Act No 53 of 1998), the principal function of which is to provide life, accident, fire or other forms of insurance to individual institutional units or groups of units;”;

(g) by the insertion after the definition of “insurer” of the following definition:

“**interest rate risk in the banking book**” means the current or prospective risk to a bank’s capital and reserve funds and/ or earnings arising from adverse movements in interest rates affecting the bank’s banking book positions-

(a) that is, when interest rates change-

(i) the present value and timing of the bank’s respective future cash flows change, which commensurately changes the underlying value of the bank’s assets, liabilities and off-balance sheet items, and hence its economic value;

(ii) the bank’s earnings is affected since the bank’s interest rate-sensitive income and expense items change accordingly, which affects the bank’s net interest income (NII).

(b) which risk shall for purposes of these Regulations be deemed to consist of a minimum of three sub-risk categories, namely gap risk, basis risk and optionality risk;”;

(h) by the insertion after the definition of “operational risk” of the following definition:

“**option risk**” in relation to interest rate risk in the banking book-

(a) means the risk that arises from option derivative positions or optional elements embedded within the bank’s assets, liabilities and/or off-balance sheet items, in respect of which either the bank or a customer of the bank can alter the level and timing of the relevant related cash flows;

(b) may be subdivided into automatic option risk and/ or behavioural option risk;”.

6. **Date of commencement**

These Regulations shall come into operation on 1 January 2023.

Annexure A

INTEREST RATE RISK: BANKING BOOK

(Confidential and not available for inspection by the public)
 Name of bank:
 Month ended:(yyyy-mm-dd)

BA330
 Monthly

(All amounts to be rounded off to the nearest R000)

Line no.	Overnight	2 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 12 months	More than 12 months to 3 years	More than 3 years to 5 years	More than 5 years to 10 years	More than 10 years	Non-rate sensitive items	Total
	1	2	3	4	5	6	7	8	9	10	11
Contractual static repricing gap											
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
16											
17											
18											
19											
20											
21											
22											

(All amounts to be rounded off to the nearest R000)

Line no.	Overnight	2 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 12 months	More than 12 months to 3 years	More than 3 years to 5 years	More than 5 years to 10 years	More than 10 years	Non-rate sensitive items	Total
	1	2	3	4	5	6	7	8	9	10	11
Behavioural static repricing gap											
23											
24											
25											
26											
27											
28											
29											
30											
31											
32											
33											
34											
35											
36											
37											
38											
39											
40											
41											
42											
43											
44											

(All amounts to be rounded off to the nearest R'000)

Line no.	Overnight	2 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 12 months	Cumulative total for 12 months
	1	2	3	4	5	6
Contractual interest rate sensitivity: banking book impact on Net Interest Income (NII)						
Net NII impact, excluding derivative instruments						
45						
46						
Net NII impact, including derivative instruments						
47						
48						
Percentage impact of a parallel rate shock on Tier 1 Capital						
49						
50						
Percentage impact of a parallel rate shock on forecast NII						
51						
52						
Impact of adverse change in specified key rates						
53						
Adverse correlated risk shock						
54						
55						

(All amounts to be rounded off to the nearest R'000)

Line no.	Overnight	2 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 12 months	Cumulative total for 12 months
	1	2	3	4	5	10
Behavioural interest rate sensitivity: banking book impact on Net Interest Income (NII)						
Net NII impact, excluding derivative instruments						
56						
57						
Net NII impact, including derivative instruments						
58						
59						
Percentage impact of a parallel rate shock on Tier 1 Capital						
60						
61						
Percentage impact of a parallel rate shock on forecast NII						
62						
63						
Impact of adverse change in specified key rates						
64						
Adverse correlated risk shock						
65						
66						

(All amounts to be rounded off to the nearest R'000)

Line no.	Overnight	2 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 12 months	More than 12 months to 3 years	More than 3 years to 5 years	More than 5 years to 10 years	More than 10 years	Total- Including Derivatives	Total- Excluding Derivatives
	1	2	3	4	5	6	7	8	9	10	11
Contractual Change in the economic value of equity											
67											
68											
69											
70											
71											
72											
73											
74											
75											
76											

(All amounts to be rounded off to the nearest R'000)

Line no.	Overnight	2 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 12 months	More than 12 months to 3 years	More than 3 years to 5 years	More than 5 years to 10 years	More than 10 years	Total- Including Derivatives	Total- Excluding Derivatives
77	1	2	3	4	5	6	7	8	9	10	11
Total assets											
Total liabilities											
Net gap											
Base economic value of equity											
Parallel shock up											
Parallel shock down											
Steepener											
Flattener											
Short rate up											
Short rate down											

Discount curves

Line no.	Overnight	1M	3M	6M	12M	2Y	3Y	4Y	5Y	6Y	7Y	8Y	9Y	10Y	12Y	15Y	20Y	25Y	More than 25 years
87	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Term Structure of discount curve																			
Base curve																			
Parallel shock up																			
Parallel shock down																			
Steepener																			
Flattener																			
Short rate up																			
Short rate down																			

(All amounts to be rounded off to the nearest R'000)

Line no.	Total- Including Derivatives	Total- Excluding Derivatives
84	1	2
85		
86		

(All amounts to be rounded off to the nearest R'000)

Line no.	Total- Including Derivatives	Total- Excluding Derivatives
87	1	2
88		
89		
90		
91		
92		
93		

Interest-rate forecast

Line no.	Scenario probability (%)	Current rate	1 month	2 months	3 months	6 months	12 months
94	1	2	3	4	5	6	7
95							
96							
97							
98							
99							

ZAR Percentages per annum

Interest rate in month of reporting within (period):

Forecast for central bank main reference rate:
 Base case
 Bearish case
 Bullish case

MATERIAL FOREIGN CURRENCY REPORTING

(All amounts to be rounded off to the nearest R000)

Line no.	Overnight	2 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 12 months	More than 12 months to 3 years	More than 3 years to 5 years	More than 5 years to 10 years	More than 10 years	Non-rate sensitive items	Total
1	2	3	4	5	6	7	8	9	10	11	
Contractual static repricing gap											
103											
Assets (total of items 104 to 108)											
104											
Variable rate items											
105											
Fixed rate items											
106											
Benchmark rate items											
107											
Discretionary rate items											
108											
Other assets											
109											
Liabilities and capital and reserve funds (total of items 110 to 114)											
110											
Variable rate items											
111											
Fixed rate items											
112											
Benchmark rate items											
113											
Discretionary rate items											
114											
Other liabilities											
115											
Net funding to / (from) trading book											
116											
Net funding to / (from) foreign branches											
117											
Net static gap, excluding derivative instruments (item 103 minus item 109 plus items 115 and 116)											
118											
Net impact of derivative instruments held in the banking book (total of items 119 - 122)											
119											
of which: pay/fixed and receive floating											
120											
of which: receive fixed and pay/floating											
121											
of which: pay/floating and receive floating											
122											
Other											
123											
Net static gap, including derivative instruments (item 117 and 118)											
124											
Cumulative static gap, including derivative instruments											
BEHAVIOURAL											

(All amounts to be rounded off to the nearest R000)

Line no.	Overnight	2 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 12 months	More than 12 months to 3 years	More than 3 years to 5 years	More than 5 years to 10 years	More than 10 years	Non-rate sensitive items	Total
1	2	3	4	5	6	7	8	9	10	11	
Behavioural static repricing gap											
125											
Assets (total of items 126 to 130)											
126											
Variable rate items											
127											
Fixed rate items											
128											
Benchmark rate items											
129											
Discretionary rate items											
130											
Other assets											
131											
Liabilities and capital and reserve funds (total of items 132 to 136)											
132											
Variable rate items											
133											
Fixed rate items											
134											
Benchmark rate items											
135											
Discretionary rate items											
136											
Other liabilities											
137											
Net funding to / (from) trading book											
138											
Net funding to / (from) foreign branches											
139											
Net static gap, excluding derivative instruments (item 125 minus item 131 plus items 137 and 138)											
140											
Net impact of derivative instruments held in the banking book (total of items 141 - 144)											
141											
of which: pay/fixed and receive floating											
142											
of which: receive fixed and pay/floating											
143											
of which: pay/floating and receive floating											
144											
Other											
145											
Net static gap, including derivative instruments (item 139 and 140)											
146											
Cumulative static gap, including derivative instruments											

(All amounts to be rounded off to the nearest R000)

Line no.	Overnight	2 days to 1 month		More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 12 months	Cumulative total for 12 months
		1	2				
Contractual interest rate sensitivity: banking book impact on Net Interest Income (NII)							
Net NII Impact, excluding derivative instruments							
147							
148							
Net NII Impact, including derivative instruments							
149							
150							
Percentage impact of a parallel rate shock on Tier 1 Capital							
151							
152							
Percentage impact of a parallel rate shock on forecast NII							
153							
154							
Adverse correlated risk shock							
155							
156							

(All amounts to be rounded off to the nearest R000)

Line no.	Overnight	2 days to 1 month		More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 12 months	Cumulative total for 12 months
		1	2				
Behavioural interest rate sensitivity: banking book impact on Net Interest Income (NII)							
Net NII Impact, excluding derivative instruments							
157							
158							
Net NII Impact, including derivative instruments							
159							
160							
Percentage impact of a parallel rate shock on Tier 1 Capital							
161							
162							
Percentage impact of a parallel rate shock on forecast NII							
163							
164							
Adverse correlated risk shock							
165							
166							

(All amounts to be rounded off to the nearest R000)

Line no.	Overnight	2 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 12 months	More than 12 months to 3 years	More than 3 years to 5 years	More than 5 years to 10 years	More than 10 years	Total- Including Derivatives	Total- Excluding Derivatives
Contractual Change in the economic value of equity											
167											
168											
169											
170											
Base economic value of equity											
171											
172											
173											
174											
175											
176											

(All amounts to be rounded off to the nearest R'000)

Line no.	Overnight	2 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 12 months	More than 12 months to 3 years	More than 3 years to 5 years	More than 5 years to 10 years	More than 10 years	Total- Including Derivatives	Total- Excluding Derivatives
177	1	2	3	4	5	6	7	8	9	10	11
178											
179											
180											
181											
182											
183											
184											
185											
186											

Discount curves

Line no.	Overnight	1M	3M	6M	12M	2Y	3Y	4Y	5Y	6Y	7Y	8Y	9Y	10Y	12Y	15Y	20Y	25Y	More than 25 years	
187																				
188																				
189	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	
190																				
191																				
192																				
193																				

(All amounts to be rounded off to the nearest R'000)

Line no.	Total- Including Derivatives	Total- Excluding Derivatives
194	1	2
195		
196		

(All amounts to be rounded off to the nearest R'000)

Line no.	Total- Including Derivatives	Total- Excluding Derivatives
197	1	2
198		
199		
200		
201		

NATIONAL TREASURY

NO. 2901

23 December 2022

I, E Godongwana, Minister of Finance, acting in terms of the Division of Revenue Act, 2022 (Act No. 5 of 2022), as amended, hereby publish in the attached Schedule -

- (a) stopping of allocations in respect of conditional allocations made to provinces under the Act; and
- (b) the re-allocation of stopped conditional allocations to certain provinces.

For ease of reference only and where applicable, the attached Schedule reflects the allocations published in the Division of Revenue Amendment Act, 2022 as Column A, stopping of allocations and re-allocations in Column B and the total adjusted allocations in Column C.

This Government Notice is set out as follows:

- Part 1: Conditional allocations; and
- Part 2: Explanatory memorandum relating thereto.



ENOCH GODONGWANA
MINISTER OF FINANCE

Date:

Explanatory Memorandum to the Provincial Allocations set out in the Schedule

This *Gazette* is published in terms of the Division of Revenue Act, 2022 (Act No. 5 of 2022), as amended, and provides information on adjustments to existing allocations to provinces in the 2022/23 financial year.

This is necessitated by the need to stop the flow of funds in terms of Section 18 of the Division of Revenue Act, 2022, as amended, and to re-allocate the stopped funds to provinces, as approved in terms of Section 19 of the Division of Revenue Act, 2022, as amended.

This *Gazette* therefore updates information that was published in the Division of Revenue Act, 2022.

This notice affects the National Health Insurance Grant

- a) In compliance with Section 18 of the Division of Revenue Act, 2022, as amended, the national Department of Health stops the transfer of funds to Eastern Cape (R7.475 million), Free State (R0.381 million) and Limpopo (R3.037 million), Northern Cape (R4.019 million), North West (R9.399 million) and Western Cape (R8.641 million) for the National Health Insurance Grant, following revised allocations by the national Department of Health.
- b) In compliance with Section 19 of the Division of Revenue Act, 2022, as amended, the national Department of Health re-allocates funds to Gauteng (R0.139 million), Mpumalanga (R13.447 million) and KwaZulu-Natal (R19.366 million), for the National Health Insurance Grant, following revised allocations by the national Department of Health.

**SCHEDULE 5, PART A
SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES**

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	Column C	
					2022/23 (Division of Revenue Act, 2022)	2022/23 Stopping and re- allocation after stopping of allocation	2022/23 Adjusted allocation	
Health (Vote 18)	(d) National Health Insurance Grant	To expand the healthcare services benefits through the strategic purchasing of services from healthcare service providers	Conditional allocation	Eastern Cape	R'000 128 484	R'000	R'000	
				Free State	28 404			
				Gauteng	90 399			
				KwaZulu-Natal	84 726			
				Limpopo	83 490			
				Mpumalanga	69 428			
				Northern Cape	84 530			
				North West	80 681			
				Western Cape	43 605			
				TOTAL	693 747			
				Less:	Eastern Cape	- 7 475		
				Stopping of allocation in terms of Section 18 of the Division of Revenue Act, 2022 (Act No. 5 of 2022), as amended	Free State	- 381		
					Limpopo	- 3 037		
	Northern Cape	- 4 019						
	North West	- 9 399						
	Western Cape	- 8 641						
	TOTAL	- 32 952						
Plus:	Gauteng	139						
Re-allocation after stopping of allocation in terms of Section 19 of the Division of Revenue Act, 2022 (Act No. 5 of 2022), as amended	KwaZulu-Natal	19 366						
	Mpumalanga	13 447						
	TOTAL	32 952						
Revised allocations	Eastern Cape	128 484	- 7 475	121 009				
	Free State	28 404	- 381	28 023				
	Gauteng	90 399	139	90 538				
	KwaZulu-Natal	84 726	19 366	104 092				
	Limpopo	83 490	- 3 037	80 453				
	Mpumalanga	69 428	13 447	82 875				
	Northern Cape	84 530	- 4 019	80 511				
	North West	80 681	- 9 399	71 282				
	Western Cape	43 605	- 8 641	34 964				
	TOTAL	693 747	-	693 747				

DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NO. 2902

23 December 2022

SECTION 12I TAX ALLOWANCE PROGRAMME

The Minister of Trade, Industry and Competition, Mr Ebrahim Patel - in terms of Section 12I (19) of the Income Tax Act, 1962 (Act 58 of 1962) as amended (herein after referred to as the Act) and the Regulations promulgated in the Government Gazette No. 33385 of 23 July 2010 - hereby publishes the decision **not to approve** an application received for the 12I Tax Allowance Programme.

Particulars of applicant

- Name of applicant: **Coega Fruit Terminal (Pty) Ltd.**
- **Coega Fruit Terminal (Pty) Ltd- Cold Store and Container Depot** is a **Fruit Cold Storage and Container Depot**. The project will invest a total of **R163 125 088**, with the value of qualifying manufacturing assets equal to **R156 425 088**.
- Description and costs of qualifying manufacturing assets:

Assets	Expected Date of Assets In Use	Value of Qualifying Assets (R)
Plant & Machinery	11 February 2021	156 425 088
Total Qualifying Assets		156 425 088

- On 19 March 2021, I as the **Minister of Trade, Industry and Competition**, endorsed the recommendation of the **12I Adjudication Committee** meeting of 6 March 2020 not to approve the application of **Coega Fruit Terminal (Pty) Ltd** as an Industrial Policy Project in terms of Section 12I of the Income Tax Act and the relevant Regulations.
- **Enquiries relating to this publication should be made to:**

The Secretariat: 12I Tax Allowance Programme
 Department of Trade and Industry
 Private Bag X84
 PRETORIA
 0001

For attention: Ms M Ngobeni
 Telephone No.: 012 394 1016
 Fax No.: 012 394 2016

DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NO. 2903

23 December 2022

SECTION 12I TAX ALLOWANCE PROGRAMME

The Minister of Trade, Industry and Competition, Mr Ebrahim Patel - in terms of section 12I (19)d of the Income Tax Act, 1962 (Act 58 of 1962) as amended (herein after referred to as the Act) and the Regulations promulgated in the Government Gazette No. 33385 of 23 July 2010 - hereby publishes the decision to **approve** an application received for the 12I Tax Allowance Programme.

Particulars of applicant

- Name of applicant: **PG Bison (Pty) Ltd.**
- **PG Bison (Pty) Ltd – Medium Density Fibreboard Mega Plant** is a project to manufacture **Medium Density Fibreboard (MDF)**. The project will invest a total of **R1 333 333 000**, with the value of qualifying manufacturing assets equal to **R1 333 333 000**. The project is classifiable under **SIC 3221**.
- Description and costs of qualifying manufacturing assets:

Assets	Expected Date of Assets In Use	Value of Qualifying Assets (R)
Plant and Machinery	1 July 2023	R1 333 333 000
Total Qualifying Assets		R1 333 333 000

- Date of approval: **29 October 2021**.
- Envisaged date of commercial production: **1 July 2023**.
- Additional investment allowance benefit period: **October 2021 to October 2025**.
- **PG Bison (Pty) Ltd – Medium Density Fibreboard Mega Plant** is approved as a **Greenfield** project and awarded **6** points and afforded **Qualifying Status**.
- The approved amount for the additional **investment** allowance in respect of manufacturing assets to be brought into use by **PG Bison (Pty) Ltd** is **R466 666 550 (four hundred and sixty-six million six hundred and sixty-six thousand five hundred and fifty rand)**.
- The approved amount for the additional **training** allowance is **R1 836 000 (one million eight hundred and thirty-six thousand rand)**.
- Total potential national revenue to be forgone by virtue of deduction of the approved allowances **PG Bison (Pty) Ltd** will be **R131 180 714**.

Enquiries relating to this publication should be made to:

The Secretariat: 12I Tax Allowance Programme
Department of Trade, Industry and Competition
Private Bag X84
PRETORIA
0001

For attention:	Mamaki Ngobeni
Telephone No.:	012 394 1016
Fax No.:	012 394 2016

DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NO. 2904

23 December 2022

SECTION 12I TAX ALLOWANCE PROGRAMME

The Minister of Trade and Industry, Mr Ebrahim Patel - in terms of Section 12I (19) of the Income Tax Act, 1962 (Act 58 of 1962) as amended (herein after referred to as the Act) and the Regulations promulgated in the Government Gazette No. 33385 of 23 July 2010 - hereby publishes the decision **not to approve** an application received for the 12I Tax Allowance Programme.

Particulars of applicant

- Name of applicant: Fuchs Lubricants SA (Pty) Ltd.
- Fuchs Lubricants SA (Pty) Ltd is manufacturer of lubricants and greases. The project planned to invest a total of **R263 421 014**, with the value of qualifying manufacturing assets equal to **R263 421 014**. The project is classifiable under **SIC (v7) 1920**.
- Description and costs of qualifying manufacturing assets:
- On 17 March 2021, I as the Minister of Trade, Industry and Competition, endorsed the recommendation of the 12I Adjudication Committee meeting of 04 August 2020 not to approve the application of Fuchs Lubricants SA (Pty) Ltd as an Industrial Policy Project in terms of Section 12I of the Income Tax Act and the relevant Regulations.
- **Enquiries relating to this publication should be made to:**

The Secretariat: 12I Tax Allowance Programme
Department of Trade, Industry and Competition
Private Bag X84
PRETORIA
0001

For attention: Mr A Potgieter
Telephone No.: 012 394 1427

DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NO. 2905

23 December 2022

SECTION 12I TAX ALLOWANCE PROGRAMME

The Minister of Trade, Industry and Competition, Mr Ebrahim Patel - in terms of section 12I (12)(a)(i)(b)(c) and (19)d of the Income Tax Act, 1962 (Act 58 of 1962) as amended (herein after referred to as the Act) and the Regulations promulgated in the Government Gazette No. 33385 of 23 July 2010 - hereby publishes the decision to **withdraw** the approval of an application received for the 12I Tax Allowance Programme.

Particulars of applicant

- Name of applicant: **Nautic Africa (Pty) Ltd**
- **Nautic Africa (Pty) Ltd- Flagship Vessel Production Facility** was approved as a Greenfield project and awarded 6 points and afforded Qualifying Status.
- The project would have invested a total of **R99 464 000**, with the value of qualifying manufacturing assets equal to **R63 464 000**.
- The approved amount for the additional **investment** allowance in respect of manufacturing assets brought into use by **Nautic Africa (Pty) Ltd - Flagship Vessel Production Facility** was **R22 212 400** and additional **training** allowance of **R7 704 000**, totalling **R29 916 400**.
- On **19 March 2021** the Minister of Trade, Industry and Competition endorsed the recommendation of the 12I Adjudication Committee meeting of **4 August 2020** to withdraw the approval of **Nautic Africa (Pty) Ltd - Flagship Vessel Production Facility** as an Industrial Policy Project in terms of Section 12I of the Act and the relevant Regulations.

Enquiries relating to this publication should be made to:

The Secretariat: 12I Tax Allowance Programme
Department of Trade, Industry and Competition
Private Bag X84
PRETORIA
0001

For attention: Ms M Ngobeni
Telephone No.: 012 394 1016
E-mail: Mamaki.Ngobeni@thedtic.gov.za

DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NO. 2906

23 December 2022

SECTION 12I TAX ALLOWANCE PROGRAMME

The Minister of Trade, Industry and Competition, Mr Ebrahim Patel - in terms of section 12I (19)d of the Income Tax Act, 1962 (Act 58 of 1962) as amended (herein after referred to as the Act) and the Regulations promulgated in the Government Gazette No. 33385 of 23 July 2010 - hereby publishes the decision to **approve** an application received for the 12I Tax Allowance Programme.

Particulars of applicant

- Name of applicant: **Clover SA (Pty) Ltd.**
- **Clover SA (Pty) Ltd – Project Sencillo** is a project to manufacture **Dairy Products**. The project will invest a total of **R1 160 940 087**, with the value of qualifying manufacturing assets equal to **R1 160 940 087**. The project is classifiable under **SIC 3020**.
- Description and costs of qualifying manufacturing assets:

Assets	Value of Qualifying Assets (R)
Plant and Machinery	R1 025 346 320
Buildings	135 593 767
	R1 160 940 087

- Date of approval: **31 March 2021**.
- Envisaged date of commercial production: **31 December 2021**.
- Additional investment allowance benefit period: **31 March 2021 to 31 March 2025**.
- **Clover SA (Pty) Ltd – Project Sencillo** is approved as a **Brownfield** project and awarded **8** points and afforded **Preferred Status**.
- The approved amount for the additional **investment** allowance in respect of manufacturing assets to be brought into use by **Clover SA (Pty) Ltd** is **R550 000 000** (five hundred and fifty million rand).
- The approved amount for the additional **training** allowance is **R19 642 000** (nineteen million six hundred and forty-two thousand rand).
- Total potential national revenue to be forgone by virtue of deduction of the approved allowances **Clover SA (Pty) Ltd** will be **R159 499 760**.

Enquiries relating to this publication should be made to:

The Secretariat: 12I Tax Allowance Programme
 Department of Trade and Industry
 Private Bag X84
 PRETORIA
 0001

For attention: Mamaki Ngobeni
 Telephone No.: 012 394 1016
 Fax No.: 012 394 2016

DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NO. 2907

23 December 2022

SECTION 12I TAX ALLOWANCE PROGRAMME

The Minister of Trade and Industry, Mr Ebrahim Patel, in terms of section 12I(12)(a)(i)(aa) and (19)d of the Income Tax Act, 1962 (Act 58 of 1962) as amended (herein after referred to as the Act) and the Regulations promulgated in the Government Gazette No. 33385 of 23 July 2010 - hereby publishes the decision to **withdraw** the approval of an application received for the 12I Tax Allowance Programme.

Particulars of applicant

- Name of applicant: Tongaat Hulett Ltd.
- Tongaat Hulett Ltd was approved as a Brownfield project and awarded 7 points and afforded Preferred Status.
- The project would have invested a total of R525 000 000.
- The approved amount for the additional investment allowance in respect of manufacturing assets brought into use by Tongaat Hulett Ltd was R288 750 000 and additional training allowance of R2 376 000, totalling R291 126 000.
- On 12 October 2020 the Minister of Trade and Industry endorsed the recommendation of the 12I Adjudication Committee meeting of 10 February 2020 to withdraw the approval of Tongaat Hulett Ltd as an Industrial Policy Project in terms of Section 12I of the Act and the relevant Regulations.

Enquiries relating to this publication should be made to:

The Secretariat: 12I Tax Allowance Programme
Department of Trade and Industry
Private Bag X84
PRETORIA
0001

For attention: Mr A Potgieter
Telephone No.: 012 394 1427
E-mail: andre@thedti.gov.za

GENERAL NOTICES • ALGEMENE KENNISGEWINGS

DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NOTICE 1526 OF 2022

STANDARDS ACT, 2008 STANDARDS MATTERS

In terms of the Standards Act, 2008 (Act No. 8 of 2008), the Board of the South African Bureau of Standards has acted in regard to standards in the manner set out in the Schedules to this notice.

SECTION A: DRAFTS FOR COMMENTS

The following draft standards are hereby issued for public comments in compliance with the norm for the development of the South Africa National standards in terms of section 23(2)(a) (ii) of the Standards Act.

Draft Standard No. and Edition	Title, scope and purport	Closing Date
SATR 61511-4 Ed 1	<i>Functional safety - Safety instrumented systems for the process industry sector - Part 4: Explanation and rationale for changes in IEC 61511-1 from Edition 1 to Edition 2.</i> This part of IEC 61511, which is a Technical Report, specifies the rationale behind all clauses and the relationship between them, raises awareness for the most common misconceptions and misinterpretations of the clauses and the changes related to them, explains the differences between Ed. 1 and Ed. 2 of IEC 61511-1 and the reasons behind the changes, presents high level summaries of how to fulfil the requirements of the clauses, and explains differences in terminology between IEC 61508-4:2010 and IEC 61511-1 Ed. 2.	2023-02-09
SATR 63196 Ed 1	<i>Switchgear and control gear and their assemblies for low-voltage – Energy.</i>	2023-02-15
SANS 62271-212 Ed 1	<i>High-voltage switchgear and controlgear - Part 212: Compact Equipment Assembly for Distribution Substation (CEADS) for AC voltages up to 52 kV.</i>	2023-02-15
SANS 62271-202 Ed 3	<i>High-voltage switchgear and controlgear - Part 202: AC prefabricated substations for rated voltages above 1 kV and up to and including 52 kV.</i>	2023-02-15
SATS 62885-1 Ed 1	<i>Surface cleaning appliances - Part 1: General requirements on test material and test equipment.</i> Specifies the physical characteristics of test equipment and material used in tests common to several products covered by the IEC 62885 series for surface cleaning appliances.	2023-02-15
SATS 61850-1 Ed 2	<i>Communication networks and systems for power utility automation - Part 1-2: Guidelines on extending IEC 61850.</i> Intended for any users but primarily for standardization bodies that are considering using IEC 61850 as a base standard within the scope of their work and are willing to extend it as allowed by the IEC 61850 standards.	2023-02-15
SANS 60730-2-8 Ed 2	<i>Automatic electrical controls - Part 2-8: Particular requirements for electrically operated water valves, including mechanical requirements.</i> Applies to electrically operated water valves for use in, on or in association with equipment for household and similar use, including heating, air-conditioning and similar applications.	2023-02-15

SCHEDULE A.1: AMENDMENT OF EXISTING STANDARDS

The following draft amendments are hereby issued for public comments in compliance with the norm for the development of the South African National Standards in terms of section 23(2)(a) (ii) of the Standards Act.

Draft Standard No. and Edition	Title	Scope of amendment	Closing Date
SANS 434 Ed 6.2	<i>General Protective Clothing.</i>	Amended to update requirements for pen pocket and delete annex A on notes to purchasers.	2023-02-16
SANS 164-0 Ed 1.9	<i>Plug and socket-outlet systems for household and similar purposes for use in South Africa - Part 0: General requirements</i>	Amended to update referenced standards, and the clause on requirements.	2023-02-15

SCHEDULE A.2: WITHDRAWAL OF THE SOUTH AFRICAN NATIONAL STANDARDS

In terms of section 24(1)(C) of the Standards Act, the following published standards are issued for comments with regard to the intention by the South African Bureau of Standards to withdraw them.

Draft Standard No. and Edition	Title	Reason for withdrawal	Closing Date
CKS 677:1990 Ed 1	<i>Portable steam sterilizers for unwrapped instruments and utensils.</i>	The standard is obsolete.	2023-02-10
CKS 255:2009 Ed 1.1	<i>Stools, hospital (Visitors, Bathroom).</i>	The standard is obsolete.	2023-02-10
CKS 263:2009 Ed 1.2	<i>Clamps for hospital beds.</i>	The standard is obsolete.	2023-02-10
CKS 155:1972 Ed 1.2	<i>Clamps for hospital beds.</i>	The standard is obsolete.	2023-02-10
CKS 179:2009 Ed 1.1	<i>Drip stands (for saline solutions and other fluids)</i>	The standard is obsolete.	2023-02-10
CKS 232:2009 Ed 1	<i>Swab racks.</i>	The standard is obsolete.	2023-02-10
CKS 237:2009 Ed 1	<i>Bassinets (cribs) with stands.</i>	The standard is obsolete.	2023-02-10
CKS 239:2010 Ed 1.3	<i>Commodos (wheel chair type).</i>	The standard is obsolete.	2023-02-10
CKS 242:2009 Ed 2.1	<i>Tea trolleys.</i>	The standard is obsolete.	2023-02-10
CKS 240:2009 Ed 1.2	<i>Examination couches.</i>	The standard is obsolete.	2023-02-10
CKS 243:2009 Ed 2.2	<i>Anaesthetic machines.</i>	The standard is obsolete.	2023-02-10
CKS 624:2011 Ed 2.2	<i>Anaesthetic machines.</i>	The standard is obsolete.	2023-02-10
CKS 635:2013 Ed 1.4	<i>Adjustable ward beds.</i>	The standard is obsolete.	2023-02-10
CKS 350:2009 Ed 1	<i>Guard rails for hospital beds.</i>	The standard is obsolete.	2023-02-10
CKS 390:2009 Ed 1	<i>Orthopaedic beds.</i>	The standard is obsolete.	2023-02-10
CKS 408:1974 Ed 1	<i>Electrically-heated incubators for infants.</i>	The standard is obsolete.	2023-02-10
CKS 374:2009 Ed 1	<i>Leg and body cradles.</i>	The standard is obsolete.	2023-02-10
CKS 447:2013 Ed 2.2	<i>High-low beds.</i>	The standard is obsolete.	2023-02-10

CKS 294:2009 Ed 2.1	<i>Kick-abouts.</i>	The standard is obsolete.	2023-02-10
CKS 266:2010 Ed 1	<i>Lifting poles for patients.</i>	The standard is obsolete.	2023-02-10
CKS 336:2013 Ed 1	<i>Forged steel hooks for chains, slings, blocks, and general engineering purposes.</i>	The standard is obsolete.	2023-02-10
CKS 556:2009 Ed 1.2	<i>Mobile medicine (utility drug) cabinet.</i>	The standard is obsolete.	2023-02-10
CKS 343:2009 Ed 1.2	<i>Orthopaedic traction-pieces and hangers.</i>	The standard is obsolete.	2023-02-10
CKS 617:2009 Ed 1.1	<i>Footstools for hospital use.</i>	The standard is obsolete.	2023-02-10
CKS 157:2009 Ed 1	<i>Bowl stands.</i>	The standard is obsolete.	2023-02-10
CKS 181:2009 Ed 3.1	<i>Drug/poison cabinets.</i>	The standard is obsolete.	2023-02-10
CKS 265:2009 Ed 1	<i>Extension rods for hospital beds.</i>	The standard is obsolete.	2023-02-10

SCHEDULE A.3: WITHDRAWAL OF INFORMATIVE AND NORMATIVE DOCUMENTS

In terms of section 24(5) of the Standards Act, the following documents are being considered for withdrawal.

Draft Standard No. and Edition	Title	Reason for withdrawal	Closing Date

SECTION B: ISSUING OF THE SOUTH AFRICAN NATIONAL STANDARDS

SCHEDULE B.1: NEW STANDARDS

The following standards have been issued in terms of section 24(1)(a) of the Standards Act.

Standard No. and year	Title, scope and purport
SANS 61557-12:2022 Ed 1	<i>Electrical safety in low voltage distribution systems up to 1 000 V AC and 1 500 V DC - Equipment for testing, measuring or monitoring of protective measures - Part 12: Power metering and monitoring devices (PMD).</i> Specifies requirements for power metering and monitoring devices (PMD) that measure and monitor the electrical quantities within electrical distribution systems.
SATS 60079-46:2022 Ed 1	<i>Explosive atmospheres - Part 46: Equipment assemblies.</i> Specifies requirements for the design, construction, assembly, testing, inspection, marking, documenting and assessment of equipment assemblies for use in explosive atmospheres under the responsibility of the manufacturer of the equipment assembly.
SATS 62257-9-5:2022 Ed 1	<i>Recommendations for renewable energy and hybrid systems for rural electrification Part 9-5: Integrated system - Selection of portable PV lanterns for rural electrification projects.</i> Applies to stand-alone renewable energy products having the following characteristics: All components required to provide basic energy services are sold/installed as a kit or integrated into a single component.
SANS 14002-1:2022 Ed 1	<i>Environmental management systems - Guidelines for using ISO 14001 to address environmental aspects and conditions within an environmental topic area - Part 1 General.</i> Gives general guidance for organisations seeking to systematically manage environmental aspects or responds to the effect of changing environmental conditions within one or more environmental topic areas, based on ISO 14001 (published in South Africa as an identical adoption under the designation SANS 14001).

Standard No. and year	Title, scope and purport
SANS 37002:2022 Ed 1	<i>Whistleblowing management systems – Guidelines</i> . Provides guidelines for establishing, implementing and maintaining an effective whistleblowing management system based on the principles of trust, impartiality and protection.
SANS 2041:2022 Ed 2	<i>Mechanical vibration, shock and condition monitoring – Vocabulary</i> . Defines terms and expressions unique to the areas of mechanical vibration, shock and condition monitoring.
SANS 3741:2022 Ed 2	<i>Acoustics - Determination of sound power levels of noise sources using sound pressure - Precision methods for reverberation rooms</i> . Specifies methods for determining the sound power level or sound energy level of a noise source from sound pressure levels measured in a reverberation test room.
SATR 62681:2022 Ed 2	<i>Electromagnetic performance of high voltage direct current (HVDC) overhead transmission lines</i> . Provides general guidance on the electromagnetic environment issues of HVDC overhead transmission lines.
SANS 51176-3 Ed 2	<i>Playground equipment and surfacing Part 3: Additional specific safety requirements and test methods for slides</i> . Specifies additional safety requirements for slides intended for permanent installation for use by children.
SANS 51176-4 Ed 2	<i>Playground equipment and surfacing Part 4: Additional specific safety requirements and test methods for cableways</i> . Specifies additional safety requirements for cableways intended for permanent installation for use by children.
SANS 51176-5 Ed 2	<i>Playground equipment and surfacing Part 5: Additional specific safety requirements and test methods for carousels</i> . Specifies additional safety requirements for carousels intended for permanent installation for use by children.
SANS 51176-6 Ed 2	<i>Playground equipment and surfacing Part 6: Additional specific safety requirements and test methods for rocking equipment</i> . Specifies additional safety requirements and test methods for seesaws and rocking equipment intended for permanent installation for use by children.
SANS 27007:2022 Ed 2	<i>Information security, cybersecurity and privacy protection - Guidelines for information security management systems auditing</i> . Provides guidance on managing an information security management system (ISMS) audit programme, on conducting audits, and on the competence of ISMS auditors, in addition to the guidance contained in ISO 19011 (published in South Africa under the designation SANS 19011).

SCHEDULE B.2: AMENDED STANDARDS

The following standards have been amended in terms of section 24(1)(a) of the Standards Act.

Standard No. and year	Title, scope and purport
SANS 1406:2022 Ed 3.1	<i>Commercial refrigerated food display cabinets. Consolidated edition incorporating amendment No. 1</i> . Amended to move reference to the relevant legislation to the foreword, and to delete the annex on notes to purchasers.
SANS 1489-4:2022 Ed 1.1	<i>Electrical connectors in group I and group II hazardous areas Part 4: Medium voltage couplers and adaptors for group I hazardous areas. Consolidated edition incorporating amendment No. 1</i> . Amended to update referenced standards.
SANS 1547:2022 Ed 1.7	<i>Traffic signal controllers. Consolidated edition incorporating amendment No. 7</i> . Amended to update referenced standards, the annex on site data document, and to delete the annex on notes to purchasers.

SCHEDULE B.3: WITHDRAWN STANDARDS

In terms of section 24(1)(C) of the Standards Act, the following standards have been withdrawn.

Standard No. and year	Title
CKS 136:1981 Ed 3	<i>Wrapping paper.</i>
CKS 368: Ed 1.2	<i>Lever arch files for stationery.</i>
CKS 462:2009 Ed 1.2	<i>Orthopaedic flannelette bandages.</i>
CKS 636:1992 Ed 1	Shirts, open-necked, short-sleeved, military type.

SCHEDULE B4: ESTABLISHMENT OF TECHNICAL COMMITTEES

Committee No.	Title	Scope

SCHEDULE B5: RETRACTION OF PREVIOUSLY GAZETTED ITEMS

If your organization is interested in participating in these committees, please send an e-mail to Dsscomments@sabs.co.za for more information.

SCHEDULE B6: ADDRESS OF THE SOUTH AFRICAN BUREAU OF STANDARDS HEAD OFFICE

Copies of the standards mentioned in this notice can be obtained from the Head Office of the South African Bureau of Standards at 1 Dr Lategan Road, Groenkloof, Private Bag X191, Pretoria 0001.

BOARD NOTICES • RAADSKENNISGEWINGS

BOARD NOTICE 378 OF 2022**INVITATION TO COMMENT ON EXPOSURE DRAFTS 200 TO 202 ISSUED BY THE ACCOUNTING STANDARDS BOARD****Issued: 23 December 2022**

The Accounting Standards Board (the Board) invites comment on the following Exposure Drafts:

- Invitation to Participate in the Post-Implementation Review of the Standard of GRAP on *Accounting by Principals and Agents* (ED 200)
- Proposed *Improvements to the Standards of GRAP, 2022* (ED 201)
- Proposed Interpretation of the Standards of GRAP on *Foreign Currency Transactions and Advance Consideration* (ED 202)

Comment on **ED 200** is due by **15 September 2023**.

The feedback received as part of the public consultation process will be used by the Board to decide the next steps. As a result, all those affected by, or who are interested in the Exposure Draft, are encouraged to provide a written response to the Board.

Comment on **ED 201 and ED 202** is due by **28 April 2023**.

The feedback received as part of the public consultation process will be used by the Board to finalise the pronouncements. As a result, all those affected by, or who are interested in the Exposure Drafts, are encouraged to provide a written response to the Board.

Responses to the Exposure Drafts should be received by the comment deadline, as indicated above.

Copies of the documents

The documents are available electronically on the Board's website – <http://www.asb.co.za>, or can be obtained by contacting the Board's offices on 011 697 0660 (telephone), or 011 697 0666 (fax).

Comment can be emailed to info@asb.co.za.

We look forward to receiving your responses.

BOARD NOTICE 379 OF 2022**THE SOUTH AFRICAN DENTAL TECHNICIANS COUNCIL**

Publication in terms Regulation 15(12) of the Regulations Relating to the Institution of Inquiries held in terms of Section 35 of the Act (Government Notice No. R.1016 dated 28 May 1982 issued in terms of section 50 (k) of the Dental Technicians Act No. 19 of 1979), of the finding and penalty imposed by the Council in a disciplinary inquiry held virtually in terms of Section 35 of Act No. 19 of 1979 ("the Act") read with clause 6 and the proviso in clause 11(2)(a) of the Regulations Relating to the Institution of Inquiries on 11 October 2022 arising from the charge of improper conduct by a registered person.

Name of the registered person: **ISMAIL YUMUK**

Registration Number: **TE3000**

NATURE OF OFFENCE:

Guilty of contravention of sections 29(1), (4), (5), (6), 30 (1), (3), (4) read with section 47(3)(a) of the Dental Technicians Act 19 of 1979, and clause 2 of the Regulations Relating to the Supervision of Registered Dental Laboratories published in Government Notice No R.710: Government Gazette No. 37986 dated 9 September 2014.

PENALTY:

A fine in terms of section 36(1)(e) of the Act in the amount of R50 000, the payment of half of which is suspended in terms of section 37(1)(b) of the Act for a period of five years on condition that Mr Yumuk does not commit the same or similar improper conduct during a period of 5 years. The fine in the amount of R25,000.00 is payable within fourteen days after publication hereof in the Government Gazette.

BOARD NOTICE 380 OF 2022

This Board Notice is effective as from 1 April 2023

SOUTH AFRICAN COUNCIL FOR NATURAL SCIENTIFIC PROFESSIONS**FEE STRUCTURE FOR 2023/2024**

The South African Council for Natural Scientific Professions herewith retracts all Board Notices regarding the fee structure as published in Government Gazette.

1. NOTES

- (a) **“application fee”** means the fee payable on submission of an application for registration. A fee is payable for each field of practice for which registration is requested and is not refundable, should an application not be successful.
- (b) **“annual fee”** means the fee payable by the registered person within 60 days from the date on which he/she is informed (in writing) that his/her annual fee has become payable. Annual fees will become payable on the 1st of April of every year.
- (c) **“qualifications assessment fee”** must be paid for evaluation of qualifications for registration purposes.
- (d) **“re-instatement fee”** means the fee payable on submission of an application to reinstate a registration. A fee is payable for each field of practice for which re-instatement is required.
- (e) **“appeal fee”** means the fee payable in terms of Section 25(1) of the Act when a person lodges a complaint against a Council decision.

2. FEES

Table 1: Annual Fees

Category/Type	Amount
Professional	R 1,672
Certificated	R 1,054
Candidate	R 540
Pensioners	R 330

Table 2: Other Fees

Category/Type	Amount
Application Fee	R 2,236
Application Fee - Candidate only	R 580
Critical Skills visa fee	R 4,729
Upgrading fee	R 1,768
Reinstatement fee - Professional	R 4,260
Reinstatement fee - Certificated	R 3,046
Reinstatement fee - Candidate	R 1,610
Qualification assessment fee	R 2,876
Appeal fee	R 2,960

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