



South African Reserve Bank

Financial Surveillance Department

2020-04-22

Exchange Control Circular No. 3/2020**Missing application sequence numbers**

The submission of applications by Authorised Dealers and Authorised Dealers in foreign exchange with limited authority (ADLAs) in a sequential number order is important for ensuring that all exchange control applications submitted to the Financial Surveillance Department (FinSurv) and our replies thereto are duly accounted for.

Due to the variety of internal numbering systems used by different Authorised Dealers and ADLAs, which generates internal sequential numbers for all applications including those submitted to ourselves and those entertained by particular Head Offices of Authorised Dealers and ADLAs, we often experience missing application sequence numbers.

In view of the above-mentioned reasons, it is evident that not all application numbers from the various Authorised Dealers and ADLAs are submitted to FinSurv in a strict sequential order, causing various risks due to lack of a proper sequence control, which could naturally be avoided.

To standardise this procedure and in order to ensure that Authorised Dealers and ADLAs keep sufficient information regarding all application numbers generated, we would request that your Head Office provide us, on a quarterly basis, with a list of all application numbers generated by your internal correspondence system but not submitted to FinSurv.

In the event of all applications having been submitted in sequential order during a specific quarter, a nil return must be submitted.

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We kindly request that all Authorised Dealers and ADLAs reset their application numbering systems to zero at the beginning of each calendar year.

The following new sections have been incorporated into the Currency and Exchanges Manual for Authorised Dealers:

Section A.3(B)(xxii)

Applications submitted to the Financial Surveillance Department must be numbered in a sequential numerical order to ensure that all exchange control applications submitted and replies thereto are duly accounted for. Authorised Dealers must furnish the Financial Surveillance Department on a quarterly basis with a return of missing application sequence numbers covering the preceding quarter containing:

- (a) A list of application numbers generated but not submitted to the Financial Surveillance Department;
- (b) a nil return in the event of all applications having been submitted in sequential order; and
- (c) the range of application numbers generated.

Authorised Dealers must reset their application numbering systems to zero at the beginning of each calendar year.

Section K.(K)

Return of missing application sequence numbers

See Section A.3(B)(xxii) of the Authorised Dealer Manual.

The following new sections have been incorporated into the Currency and Exchanges Manual for Authorised Dealers in foreign exchange with limited authority:

Section A.4(B)(xiii)

Applications submitted to the Financial Surveillance Department must be numbered in

a sequential numerical order to ensure that all exchange control applications submitted and replies thereto are duly accounted for. Authorised Dealers in foreign exchange with limited authority must furnish the Financial Surveillance Department on a quarterly basis with a return of missing application sequence numbers. Kindly refer to Section B.2(G)(vii) of the ADLA Manual.

Authorised Dealers in foreign exchange with limited authority must reset their application numbering systems to zero at the beginning of each calendar year.

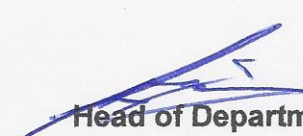
New Section B.2(G)(vii)

On a quarterly basis, a return of missing application sequence numbers covering the preceding quarter containing:

- (a) A list of application numbers generated but not submitted to the Financial Surveillance Department;
- (b) a nil return in the event of all applications having been submitted in sequential order; and
- (c) the range of application numbers generated.

Kindly also refer to Section A.4(B)(xiii) of the ADLA Manual.

The amended Manuals and guideline documents may be accessed on the SARB website: www.reservebank.co.za by following the links: Home>Regulation and supervision>Financial surveillance and exchange controls>Currency and exchanges documents.



Head of Department: Financial Surveillance