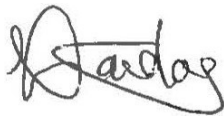


Joint Communication 7 of 2020

Precautionary measures by financial institutions and payments institutions to limit the spread of the coronavirus disease (COVID-19) pandemic

The Financial Sector Conduct Authority, the Prudential Authority and the National Payment System Department of the South African Reserve Bank, today publish this Joint Communication which sets out measures to be taken by financial institutions and payment institutions when performing financial services and services relating to the national payment system in the Schedule.



Kuben Naidoo
Deputy Governor and CEO:
Prudential Authority

Date: 17 June 2020

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Abel Sithole
Commissioner:
Financial Sector Conduct Authority

Date: 17 June 2020



Tim Masela
Head: National Payment System Department
South African Reserve Bank

Date: 17 June 2020

SCHEDULE

1. Definitions

In this Schedule, **“the Act”** means the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017), any word or expression to which a meaning is assigned in the Act shall have that meaning, and unless the context otherwise indicates –

“advisor” means a financial services provider providing advice as defined in section 1 of the Financial Advisory and Intermediary Services Act, 2002 and includes a representative;

“ATM” means an automated teller machine;

“Authorities” means the Financial Sector Conduct Authority and Prudential Authority established under the Act;

“COVID-19” has the meaning assigned to it in the Regulations;

“financial institution” means a financial institution licensed in terms of a financial sector law to render financial services;

“intermediary” means a financial services provider providing intermediary service as defined in section 1 of the Financial Advisory and Intermediary Services Act, 2002 and includes a representative;

“National Payments System Act” means the National Payments System Act, 1998 (Act No. 78 of 1998);

“National Payment System Department” means a department within the Reserve Bank responsible for the regulation, supervision and oversight of the national payment system;

“nurse” has the meaning assigned to it in the Nursing Act, 2005 (Act No. 33 of 2005);

“payment institution” means an entity that is designated, authorised, registered, or regulated under the National Payment System Act;

“payment system” means a payment system as defined in section 1 of the National Payment System Act;

“POS device” means a point of sale device;

“Regulations” means the Regulations made under section 27(2) of the Disaster Management Act, 2002 (Act No. 57 of 2002) (published by Government Notice No. 480 of 29 April 2020, and amended by Government Notice No. 43364 of 28 May 2020);

“Reserve Bank” has the meaning assigned to it in the Act; and

“vulnerable person” means a person with known or disclosed health issues or comorbidities, or with any condition which or may place such person at a higher risk of complications or death if they are infected with COVID -19.

2. Object

- (1) On 15 March 2020, President Cyril Ramaphosa announced a nationwide 21-day lockdown period, from midnight on Thursday 26 March 2020 until midnight on Thursday 16 April 2020, during which time the movement of persons was restricted in order to contain the spread of COVID-19. This period was extended to 30 April 2020 on 9 April 2020. On 23 April 2020, the President announced that South Africa will adopt a risk adjusted strategy to contain the spread of COVID-19 and as part of this approach there will be five Alert Levels in accordance with which economic activity and movement of people are allowed. The Minister of Cooperative Governance and Traditional Affairs declared on 28 April 2020 that Alert Level 4 will be applicable from 1 May 2020 and will remain in force up to the declaration of a different Alert Level.
- (2) On 24 May 2020, President Ramaphosa announced the Alert Level for the whole country should be lowered from Level 4 to Level 3 with effect from 1 June 2020.
- (3) The Minister of Cooperative Governance and Traditional Affairs published amended Regulations on 28 May 2020. In terms of the amended Regulations all services are permitted except those excluded in Table 2 of the Regulations.
- (4) Greater responsibility is now placed on institutions to ensure that the working environment is safe. Institutions should also exercise great care to protect their customers, employees and members of the public that they come in contact with. The measures set out in this Communication are minimum precautions that should be taken. Institutions must continue to assess their own risks and circumstances and, where necessary, implement stricter requirements.

3. General

- (1) The Joint Directive issued by the Authorities on 9 April 2020 under Alert Level 5 is hereby withdrawn. Financial institutions must comply with the Occupational Health and Safety Directives issued by the Minister of Employment and Labour in terms of the Regulations regarding the precautionary measure in workplaces.
- (2) The National Payment System Department issued Directive 2 of 2020¹ on matters related to precautionary measures to limit the spread of COVID-19 on 15 April 2020. Payment institutions must continue to comply with Directive 2 of 2020 as well as with Occupational Health and Safety Directives issued by the Minister of Employment and Labour in terms of the Regulations regarding the precautionary measure in workplaces.

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[http://www.resbank.co.za/RegulationAndSupervision/NationalPaymentSystem\(NPS\)/Legal/Documents/Directives/COVID-19%20Directive%20for%20NPS%20-%20Final.pdf](http://www.resbank.co.za/RegulationAndSupervision/NationalPaymentSystem(NPS)/Legal/Documents/Directives/COVID-19%20Directive%20for%20NPS%20-%20Final.pdf)

- (3) Where employees, including nurses, of financial institutions or payment institutions are required to travel between provinces, metropolitan areas and districts to render the services referred to in this Guidance, the financial institution must ensure that that employee or nurse is in possession of a permit issued in accordance with Regulation 33(4)(a) of the Regulations.

4. Guidance to financial institutions

- (1) Interactions between financial institutions and financial customers, including between advisors and intermediaries rendering the financial services, must continue to be via remote means wherever possible.
- (2) Where face to face meetings or physical interaction with customers are unavoidable, in order to protect both the employees of the financial institution as well as financial customers, these meetings should be held at premises where appropriate health measures and social distancing can be implemented, such as-
 - (a) suitably equipped offices of the financial institution;
 - (b) the place of work of the customer, or
 - (c) other premises where appropriate health measures can be implemented and monitored.
- (3) A financial institution should not hold meetings at the homes of clients, or visit financial customers at home for purposes of providing financial services to them.
- (4) Where exceptional circumstances require that a meeting takes place at the home of a customer, the following protocols must be followed:
 - (a) An employee of a financial institution should only visit a customer's home after confirming an appointment with the customer, and should not arrive at a customer's home without prior notice.
 - (b) Both the customer and the employee are required to complete a risk questionnaire prior to the visit to establish if either of them is vulnerable, or whether the financial customer resides with a vulnerable person, or if either of them is at risk of infecting others. Only if both are not vulnerable or at risk of infecting others may the appointment at the customer's home continue. If the appointment occurs more than one day after the telephonic questionnaire is completed, the financial institution should make a follow-up confirmation on the day of the appointment to ensure that the circumstances have not changed.
 - (c) The employee should perform a non-contact temperature screen on him or herself in the presence of the customer as well as on the customer.
 - (d) The employee should carry sanitiser, and a spare mask which should be offered to the customer on arrival if the customer does not have a mask. The consultation should not continue unless the customer has sanitised his or her hands and is wearing a face mask. The customer should be informed in advance of this requirement.
 - (e) Social distancing should be practiced as far as possible whilst completing forms, limiting the time close to the customer as far as possible.

- (f) A record that the above measures were implemented must be kept in respect of each customer.
- (5) A financial institution that makes use of travelling nurses for purposes of medical underwriting should arrange that examinations take place at premises where appropriate health measures and social distancing can be implemented, such as:
 - (a) the suitably equipped offices of the financial institution;
 - (b) the place of work of the financial customer; or
 - (c) a medical facility.
- (6) Home visits by travelling nurses are not recommended, but if there is no other alternative, a nurse may visit a customer at home for purposes of medical underwriting with the following strict safety measures in place: -
 - (a) A nurse should only be deployed to a customer's home after confirming an appointment with the customer, and should not arrive at a customer's home without prior notice.
 - (b) Both the customer and the nurse are required to complete a risk questionnaire prior to the visit to establish if either of them is vulnerable, or whether the financial customer resides with a vulnerable person, or if either of them is at risk of infecting others. Only if both are not vulnerable or at risk of infecting others may the appointment at the customer's home continue. If the appointment occurs more than one day after the telephonic questionnaire is completed, the nurse should make a follow-up confirmation on the day of the appointment to ensure that the circumstances have not changed.
 - (c) On arrival at the customer's home, the nurse must wear a mask, face shield and a pair of gloves.
 - (d) The nurse should perform a non-contact temperature screen on him or herself in the presence of the customer as well as on the customer.
 - (e) The nurse should carry sanitiser, and a spare mask which should be offered to the customer on arrival if the customer does not have a mask. The consultation should not continue unless the customer has sanitised their hands and is wearing a face mask. The customer should be informed in advance of this requirement.
 - (f) The nurse should use two pairs of gloves for the consultation. The first pair should be used for completing forms, and a new pair for the medical examination, which includes drawing blood and taking blood pressure.
 - (g) Social distancing should be practiced as far as possible whilst completing forms, limiting the time close to the customer as far as possible.
 - (h) A record that the above measures were implemented must be kept in respect of each customer.
- (7) A financial institution must upon request by the Authorities submit the name of the COVID-19 compliance officer designated under Regulation 47 and its workplace plan as contemplated in Regulation 47(1)(b) of the Regulations to the Authorities.

5. Guidance to payment institutions

- (1) Interactions between payment institutions and financial customers must continue to be via remote means wherever possible or make use of contactless means of payment.
- (2) Where physical interaction or contact with financial customers is unavoidable such as with the use of branch services or services through ATMs, POS devices, self-service devices, and other devices and channels requiring physical contact, payment institutions should, subject to paragraph 5(4), implement appropriate health and social distancing measures such as:
 - (a) provision of disinfectants to sanitise payment channels and devices;
 - (b) provision of financial customers with disinfectants or other protective means to clean or cover surfaces prior to using payment channels and devices;
 - (c) demarcation of queues with distance markers where the use of services is on premises that are under the control of the payment institution;
 - (d) displaying educational and awareness posters on precautionary health measures and social distancing;
 - (e) practice of good personal hygiene, washing or disinfecting hands and wearing masks;
 - (f) limitation of physical contact such as avoiding shaking of hands;
 - (g) encouraging customers to use the contactless (tap-and-go or Quick Response (QR)) features on their cards or mobile devices when completing payments, where available;
 - (h) limitation of the number of customers in the premise of a payment institution at a time; and
 - (i) any other appropriate measures.
- (3) Where face to face meetings or physical interaction with customers are unavoidable, in order to protect both the employees of payment institutions as well as financial customers, these meetings should be held at premises where appropriate health measures and social distancing can be implemented, such as:
 - (a) suitably equipped offices of the payment institution;
 - (b) the place of work of the customer, or
 - (c) other premises where appropriate health measures can be implemented and monitored.
- (4) Where a service is provided on the premises that are not under the control of the payment institution through ATMs, POS devices, self-service devices and other devices and channels, -
 - (a) the payment institution is required to make arrangements, insofar as practically possible, with the persons in control of the premises, that such persons put in place appropriate health and social distancing measures to minimise insofar as possible the transmission and spread of Covid-19 due to the use of the payment institution's ATMs, POS devices, self-service devices, and other devices and channels by the public; or

- (b) the payment institution should ensure that appropriate awareness notices are placed at the ATM, self-service devices, and other devices and channels requiring physical contact so that customers are aware of the need to sanitise their hands before and after using these devices.
- (5) A payment institution must upon request by the National Payment System Department submit the name of the COVID-19 compliance officer designated under Regulation 47 and its workplace plan as contemplated in Regulation 47(1)(b) of the Regulations to the Authorities.