



South African Reserve Bank

Legal Services Department

File ref. no.: 1/3/15

24 November 2017

Portfolio Committee on Police

C/o Ms Babalwa Mbengo

9 Church Square,

Parliament St,

Matroosfontein,

Cape Town,

8001

E-mail: [bmbengo@parliament.gov.za](mailto:bmbengo@parliament.gov.za)

Dear Ms Mbengo,

**RE: SUBMISSION ON THE CRITICAL INFRASTRUCTURE PROTECTION BILL (B22-2017)**

1. The South African Reserve Bank (SARB) refers to the Critical Infrastructure Protection Bill, 2017 (Bill), and appreciates the opportunity to submit written comments to the Portfolio Committee on Police.
2. The SARB submits its comments, attached herein as Annexure A, for your consideration. Should you require any further clarity on the comment made or proposed amendment, kindly contact the writer hereof on +27 (0) 12 399-6942 (e-mail: [shenaaz.meer@resbank.co.za](mailto:shenaaz.meer@resbank.co.za)).

Yours sincerely

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

**Ms Shenaaz Meer**

**Assistant General Counsel**

## Annexure “A”

# SOUTH AFRICAN RESERVE BANK’S COMMENTS ON THE DRAFT CRITICAL INFRASTRUCTURE PROTECTION BILL, 2017

The South African Reserve Bank’s proposed insertions are shown as underlined text.

Heading and Section no	Proposed wording of new section	Comment or issue
Ad hoc and standing committees. Section 12	<u>12(9) Notwithstanding the provisions of subsections (1) and (2), the National Commissioner must in exercising any function contemplated under section 9(2) and (3) consult with the South African Reserve Bank in matters that affect financial stability.</u>	<p>Financial stability is critical for the country’s economy, and it is inherent in the functioning of SARB to protect and enhance financial stability. It is therefore imperative that the SARB is consulted with on matters affecting financial stability.</p> <p>In this context, the SARB proposes to the extent that section 9(2) and section 9(3) of this Bill affects the financial stability of the Republic, the National Commissioner must consult with the SARB.</p> <p>Section 9 of this Bill enjoins the National Commissioner to effect cooperation between the South African Police and other organs of state in so far as it relates to the protection of critical infrastructure.</p> <p>Cooperation under section 9 is aligned with the requirements under section 11(2)(c) of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017) (FSRA) in terms of which the SARB is obliged to have regard to roles and functions of other organs of state exercising powers that affect aspects of the economy.</p> <p>The proposed wording will strengthen the co-operation between the relevant parties in ensuring that adequate and effective consultation takes place in matters affecting financial stability.</p>