**MEDIA STATEMENT**

**FINANCE COMMITTEE BRIEFED ON ALLEGED ARBITRARY CLOSURE OF CUSTOMER BANK ACCOUNTS**

**Parliament, Wednesday, 7 September 2022 –**The Standing Committee on Finance met today for a briefing from Gardee Godrich Attorneys, the National Treasury and the Financial Sector Conduct Authority (FSCA) on the banking sector’s conduct in relation to allegations that customer accounts have been arbitrarily closed, as well as the applicable regulatory frameworks.

According to the FSCA, under normal circumstances, theregulatory frameworks oblige banks to notify customers and provide them with the opportunity to make representations before terminating their accounts.

The Chairperson of the committee, Mr Joe Maswanganyi, noted that this is not the first time the committee is attending to a matter brought to its attention by members of the public. “There is a precedent where this committee conducted an inquiry into the financial sector transformation based on complaints from members of the public during the fifth administration term of Parliament and a report was produced to that effect,” he said.

Mr Maswanganyi further said that a section of the same legacy report makes reference to the alleged conduct of banks closing customer accounts arbitrarily.

He said that the committee will find time in its third term programme to take this matter forward with the Ombudsman for Banking Services South Africa, the Banking Association of South Africa, National Treasury and the FSCA.

**ISSUED BY PARLIAMENTARY COMMUNICATION ON BEHALF OF THE CHAIRPERSON OF THE STANDINGCOMMITTEE ON FINANCE, MR JOE MASWANGANYI.**

For media enquiries or interviews with the Chairperson, please contact the committee’s Media Officer:
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