

1. Update on the roll-out and implementation of the cross-sectoral Conduct of Business Return (OMNI-CBR)

The Financial Sector Conduct Authority (FSCA) on 8 June 2022 published a roadmap for the roll-out and implementation of a cross-sectoral Conduct of Business Return (OMNI-CBR). The OMNI-CBR was intended to facilitate streamlined cross-sectoral statutory reporting, and set out the types of conduct indicators to be reported on in future by various financial institutions, including insurers, financial services providers (FSPs), retirement funds and retirement fund administrators.

Annexure A to the roadmap set out the information that would have to be provided in terms of the OMNI-CBR. Insurers, retirement funds and administrators would, inter alia, have had to provide extensive information about their policyholders and members. It was indicated at the time that the OMNI-CBR would be implemented over a period of four years ending in June 2026.

The FSCA has on 11 June 2025 published FSCA Communication 12 of 2025 (General), in which it confirms that, for the reasons set out here below, the OMNI-CBR will not be proceeded with in its current form.

The FSCA has adopted a multi-year organisation wide Digital Transformation Strategy, which includes major investments in new and enhanced technology. The most notable has been the procurement of a supervisory technology (SupTech) platform, namely the Integrated Regulatory Solution (IRS).

Implementing the IRS has provided the FSCA with the opportunity to rethink the supervisory data collection model initially contemplated under the OMNI-CBR and instead explore a more streamlined, intuitive and incremental approach leveraging the new technological capabilities being introduced through the SupTech platform. Consequently, the OMNI-CBR will no longer be rolled out in the format and manner previously communicated by the FSCA.



The approach as contemplated under the OMNI-CBR has been revised in an attempt to significantly reduce the amount of data requested from financial institutions, and to minimise regulatory burden by introducing different components of the OMNI-CBR (with some revisions) over time in a phased and agile manner. The first component of the revised approach will be the introduction of an OMNI-Risk Return to support the automated Risk Model (or risk engine) that forms the core of the IRS. The Risk Model is a standardised, system-driven mechanism for calculating risk scores uniformly across all entities supervised by the FSCA.

The second component of the revised approach will be to reconsider what additional sector specific data is required from different financial institutions at a more granular level for other ongoing supervisory and regulatory purposes beyond the OMNI-Risk Return and other existing reporting, as well as the frequency and means of collecting such data.

The FSCA is currently finalising the first component of the revised approach, ie the refinement of the OMNI-Risk Return and its integration onto the IRS. This is being prioritised for further industry engagement in the upcoming months. Work on the second component of the revised approach, ie the identification of additional sector specific data requirements beyond the OMNI-Risk Return, has commenced but is envisaged to be rolled out in the longer term.

The FSCA is currently working on a detailed communication and engagement plan, which will provide further information on the operationalisation of the IRS, planned industry readiness and awareness initiatives, further consultations on the revised OMNI-Risk Return and a clearer timeline for overall implementation.

Details around a planned industry pilot for testing of the IRS will be provided in the third quarter of 2025. It is envisaged that financial institutions will then have a year to get ready prior to the anticipated go-live date of the new platform.

The FSCA has confirmed that financial institutions are not expected to initiate or progress any internal OMNI-CBR related initiatives or system development and implementation efforts until further communication is issued on the roll-out of the IRS and OMNI-Risk Return. Insurers that have been submitting quarterly insurance conduct of business returns over the past few years must continue to do so using the data upload facility on the FSCA's website until further guidance is provided in this regard.

2. Update on greylisting

National Treasury has released a media statement in which it confirms that the Financial Action Task Force (FATF) on 13 June 2025 announced that South Africa has substantially completed all 22 action items that were contained in the Action Plan adopted when South Africa was greylisted in February 2023. The FATF's decision notes that South Africa's progress warrants an on-site assessment to verify that critical Anti-Money Laundering and the Combating of the Financing of Terrorism reforms have been implemented, and that the necessary political commitment remains in place to sustain progress. The on-site assessment will take place before the next FATF Plenary, and, if the outcome of the assessment is positive, the FATF will delist South Africa from the greylist at its next Plenary in October 2025.



3. National Financial Ombud Scheme South Africa annual report

The National Financial Ombud Scheme South Africa (NFO) has published its first annual report. The NFO is an umbrella financial services ombud scheme formed by the amalgamation of the Banking Ombud, the Credit Ombud, the Ombudsman for Long-term Insurance and the Ombudsman for Short-term Insurance. It began operating on 1 March 2024 after being granted recognition by the Ombud Council.

Great emphasis is placed in the report on the fact that the NFO has an equity jurisdiction, meaning that it is not bound by legal principles, but can also take considerations of fairness and equity into account. Reana Steyn, the Head Ombud and Chief Executive Officer of the NFO, in this regard inter alia says the following:

“We did not simply merge organisations – we merged principles: a belief in accountability, in respect, in fairness, and in the right of every person to be heard. These values are not painted on our walls; they are the lens through which we interpret every case, every complaint, every question we are asked to answer.”

The report is available on the NFO's website at <https://nfosa.co.za>.

Retirement funds or other clients requiring more information should not hesitate to contact their consultant.