

WORLD TRADE ORGANIZATION

GATS/SC/78/Suppl.3

26 February 1998

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Trade in Services

SOUTH AFRICA

Schedule of Specific Commitments

Supplement 3

(This is authentic in English only)

This text replaces the financial services section contained in document GATS/SC/78/Suppl.1.

SOUTH AFRICA
SCHEDULE OF SPECIFIC COMMITMENTS

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons				
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
7. FINANCIAL SERVICES				
A. <u>All Insurance and Insurance Related Services</u>				
(a) Direct life insurance (CPC 8121 +)	(1) Unbound (2) None	(1) Unbound (2) None (3) None		
(b) Direct non-life insurance (CPC 8129 +)	(3) All insurers/reinsurers (and insurers on whose behalf policies are sold) need to be incorporated as a public company in South Africa and registered with the supervisory authority to carry on insurance business in South Africa.			
(c) Reinsurance (CPC 81299 +)	The acquisition of shares or any other interest (by a resident or non-resident) in a registered insurer resulting in the holding of 25 per cent or more of the value of all the shares or other interest in that business, requires the written approval of the Registrar of Insurance.			
(d) Insurance intermediation and auxiliary services (CPC 8140)	The executive chairman, public officer and the majority of directors must be resident in South Africa. Life insurance actuaries must also be resident in South Africa.			
	(4) Unbound, except as indicated in the horizontal section.	(4) Unbound, except as indicated in the horizontal section.		

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<p>B. <u>Banking and other Financial Services</u></p> <p>(a) Accepting of deposits and other repayable funds from the public (CPC 81115 to 81119)</p> <p>(b) Lending of all types, including, <i>inter alia</i>, consumer credit, mortgage credit, factoring and financing of commercial transactions (CPC 8113)</p> <p>(c) Financial Leasing (CPC 8112)</p> <p>(d) All payments and money transmission services, including credit, charge and debit cards, travellers cheques and bank drafts (CPC 81339 +)</p> <p>(e) Guarantees and commitments (CPC 81199 +)</p>	<p>(1) Unbound</p> <p>(2) Unbound, except for provision and transfer of financial information and financial data processing.</p> <p>(3) Dealings in foreign exchange in South Africa must be carried out through a dealer authorised by the SA Reserve Bank. Only banks registered to operate in South Africa with the required minimum capital base are eligible to seek authorization as a foreign exchange dealer.</p> <p>Companies involved in asset management, collective investment schemes and custodial services for securities and financial instruments (including equities and bonds) need to be incorporated as public companies in South Africa and registered with the supervisory authority to carry on business in South Africa.</p> <p>Trading for the account of customers on a licensed exchange requires separately capitalised incorporation in South Africa as a public or private company and registration with the relevant supervising authority.</p> <p>(4) Unbound, except as indicated in the horizontal section.</p>	<p>(1) Unbound</p> <p>(2) Unbound</p> <p>(3) Branches of banks not incorporated in South Africa must maintain a minimum balance of R 1 million on the deposit accounts of natural persons.</p> <p>(4) Unbound, except as indicated in the horizontal section.</p>	

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(f) Trading for own account or for account of customers the following: (i) Money markets instruments (CPC 81339+) (ii) Foreign exchange (CPC 81333) (iii) Derivative products (CPC 81339 +) (iv) Exchange rate and interest rate instruments (CPC 81339 +) (v) Transferable securities (CPC 81321 +) (vi) Other negotiable instruments (CPC 81339 +) (g) Participation in issues of all kinds of securities, including underwriting and placement as an agent (CPC 8132 +) (h) Money broking (CPC 81339 +)				

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(i) Asset management, such as cash or portfolio management, all forms of collective investment management, custodial management, depository and trust services (CPC 8119 + and 81323+)				
(j) Settlement and clearing services for financial assets, including securities, derivative products and other negotiable instruments				
(k) Provision and transfer of financial information, and financial data processing and related software by providers of other financial services (CPC 8131+)				
(l) Advisory and other auxiliary financial services on all the activities listed in subparagraphs (v) through (xv) of paragraph 5.(a) of the Annex on Financial Services. (CPC 8131+ and 8133+)				