

An introduction of the FSCA board

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What is the FSCA?



All reputable and well-established brokers have the backing of a regulatory entity in the jurisdictions where they are allowed to provide financial and trading services. The [Financial Services Conduct Authority \(FSCA\)](#), previously known as the Financial Service Board (FSB), is the watchdog in South Africa in charge with governing the regulation of the financial market.

The FSCA serves one main goal, amidst several others, and that is to protect South African traders, investors, and the economy overall. The FSCA is responsible for protecting people from potential money laundering and fraudulent schemes.

Traders and investors are free to use any brokers outside the borders of South Africa, regardless of whether they have FSCA regulation. However, traders and investors are strongly urged to only use FSCA-regulated brokers to ensure that their funds and sensitive information is protected.

You might also be interested in: [27 Best FSCA Regulated Forex Brokers in South Africa](#)

Duties and key responsibilities of the FSCA

The risk of bankruptcy is one that many organisations, even large and well-established businesses, face. If a broker goes bankrupt, or they are in any other way unable to meet their financial obligations, South African traders will need the support from regulatory entities, such as the FSCA, to ensure that their funds are restored and not lost.

In addition to this advantage, in choosing a FSCA-regulated broker, traders and investors can rest assured knowing that any types of misconduct will be dealt with appropriately by the FSCA.

The FSCA provides a regulatory framework in South Africa, with its specific functions and duties indicated in the Financial Sector Regulation Act, No. 09 of 2017 (FSRA). With the FSRA, and several other financial sector laws, the FSCA has the right to draft and implement certain conduct standards.

In addition to this, the FSCA may collaborate with the Prudent Authority regarding matters of common interest. The FSCA can also issue guidance notices as well as interpretation of rulings when, and where, applicable, or necessary.

How does the FSCA deal with brokers?

The FSCA is granted with full authority over the forex market in South Africa. Even though this may seem like a bold claim, the FSCA provides regulation and authorisation for all legitimate forex brokers in South Africa.

The FSCA will, when needed, issue warnings associated with topics relating to brokers who are not regulated through the FSCA and who therefore do not conform with local requirements.

If South African traders come across any forex brokers who claim to be regulated by the FSCA, but who are not, they can report the matter to the FSCA so that immediate steps can be taken.

Traders also have access to the FSCA website where they can report any issues or concerns regarding forex brokers who fall under the FSCA. Once reported, the FSCA will take the necessary steps to investigate the matter further and act accordingly.

When evaluating forex brokers in South Africa, South African investors and traders are urged to only use brokers who are on the FSCA's list of approved, legitimate brokers with valid regulation and authorisation.

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