

Rating agency fined over conflicts of interest

The **Financial Sector Conduct Authority** (FSCA) has imposed an administrative penalty of R487 000 on Global Credit Rating for contravening the Credit Rating Agency Rules. Global is a registered credit rating agency authorised in terms of the Credit Rating Services Act and subject to the FSCA's regulatory powers, notes a **Fin24** report.

The FSCA said in a statement on Tuesday that it found Global had failed to manage conflicts of interest in accordance with the rules when issuing a credit rating in November 2017. This rating process was affected by Global's business interests to obtain a ratings tender from the issuer, the FSCA ruled. The issuer was not named in the FSCA order. The FSCA emphasised that the case against Global relates to how the ratings agency dealt with conflicts of interest during the rating process. The authority did not, however, investigate nor express a view regarding the relevant rating.

[Full Fin24 report](#)

[Full FSCA media release](#)

[Copy of Order](#)