



SOUTH AFRICAN RESERVE BANK

## Media release

12 April 2021

### Implementation of the revised Jibar Code of Conduct and Operating Rules

The South African Reserve Bank (SARB) today published the revised Johannesburg Interbank Average Rate (Jibar) [Code of Conduct and Operating Rules \(Code\)](#). Revisions to the Code follow recommendations made by the Market Practitioners Group (MPG) to the Reference Rate Oversight Committee (RROC), a subcommittee of the Financial Stability Committee of the SARB. The MPG is a joint public and private sector body, tasked with the reform of interest rate benchmarks in South Africa. The reform agenda includes, among other things, strengthening the Jibar governance framework as an interim measure while an alternative reference rate is being developed.

The revisions made to the Code, which become effective as of 12 April 2021, pertain to the following aspects:

- Pricing commitments of contributing banks were increased from R20 million – R100 million to R20 million – R500 million, to strengthen the price credibility of the Jibar.
- Operating rules include a provision for how the pricing commitments of contributing banks may be adjusted in the event of abnormal market conditions.
- Obligations of the publishing agent of the Jibar reference rate data have been incorporated into the Code following the appointment of Strate as the publishing agent of post-trade data for Jibar-linked money market transactions.

As a further step to enhance the credibility of the Jibar, the SARB will implement a post-trade disclosure framework for all Jibar-linked money market transactions. It is envisaged that this framework will include the publication of post-trade primary and secondary transaction data as well as information pertaining to redemption profiles of bank negotiable certificates of deposit and floating-rate notes. The effective date of this disclosure framework will be announced at a later date.

It is important to emphasise that all efforts to strengthen the Jibar framework are aimed towards enhancing the credibility of the critically important reference rate and securing a transition period while alternative rates are being developed. These changes should therefore not be understood as implying that the Jibar will continue indefinitely. The SARB, as the benchmark administrator of the Jibar, has decided that the Jibar will cease at some future point.

The SARB wishes to thank all financial market participants and stakeholders for their participation in the reform of interest rate benchmarks in South Africa.

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**Issued by SARB Media Relations**