



SOUTH AFRICAN RESERVE BANK

Media release

22 April 2026

Tax considerations for transitioning from Jibar to ZARONIA

The Market Practitioners Group (MPG) has published a [white paper](#) on the tax implications of the Jibar transition. This paper is intended to help market participants evaluate the potential tax consequences that may arise from various methods of transitioning Jibar-linked contracts to ZARONIA. As previously announced, Jibar will be discontinued on 31 December 2026. The South African Reserve Bank (SARB) and MPG have identified ZARONIA as the preferred reference rate to replace Jibar.

Importantly, the MPG plans to use the white paper as a basis for discussions with relevant authorities regarding the possibility of issuing formal tax guidance. Market participants are thus invited to submit comments on the white paper to the MPG Secretariat (MPGSecretariat@resbank.co.za) by **21 May 2026**.

Appointment of administrator for a forward-looking ZARONIA term rate

The MPG has selected [FTSE Russell](#), a subsidiary of the London Stock Exchange Group (LSEG), to serve as the administrator of Term ZARONIA, a forward-looking term rate based on ZARONIA-linked derivatives. FTSE Russell's appointment follows a request for proposal issued in October 2025.

The MPG's final endorsement of the term rate remains subject to sufficient liquidity developing in the ZARONIA derivatives markets to support a robust and reliable benchmark. This announcement aims to give market participants early notice for planning the future use of a forward-looking ZARONIA term rate in select use cases.

Commencement of ‘no new Jibar’ initiative

The ‘no new Jibar’ initiative will commence on 1 May 2026, the cut-off for market participants to no longer issue any new financial contracts referencing Jibar, except in clearly defined and limited cases. New products should either reference ZARONIA or another suitable reference rate, while existing Jibar exposures may be maintained, amended or hedged. As such, contributing banks should not be expected to quote offer prices on Jibar-linked negotiable certificates of deposits (NCDs) as prescribed in the Jibar Code of Conduct.

The Prudential Authority (PA) and Financial Sector Conduct Authority (FSCA) have jointly issued [Joint Communication 1 of 2026](#), which outlines supervisory expectations regarding the implementation of the ‘no new Jibar’ initiative. It should be read alongside the MPG’s [recommendations](#), which describe the proposed framework for implementing this market-wide milestone.

Recent publications supporting transition preparedness

Market participants are reminded of recent MPG publications aimed at supporting preparations for the transition away from Jibar, including the following:

- Recommendations on [transition approaches](#), which outline the main transition paths and provide product-specific guidance for derivatives and cash market instruments.
- [Recommendations for](#) transitioning Jibar-linked residential mortgage loans governed by the National Credit Act 35 of 2005 in a way that ensures a fair and orderly transition for both borrowers and lenders.
- An easy to follow explainer on [important changes to your Jibar-linked loan](#), which provides clear, consumer-focused explanations for retail clients.

The SARB urges market participants to accelerate transition efforts, reduce reliance on Jibar and ensure operational readiness ahead of the benchmark cessation on 31 December 2026. A library of resources is available on the [SARB website](#) to assist with all aspects of the transition.

Please direct any queries to SARB-Benchmarks@resbank.co.za or Mr Zakhele Gininda, Lead Specialist: Market Operations and Analysis, at Zakhele.Gininda@resbank.co.za.

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Notes to editors

In 2018, the SARB initiated a programme to strengthen widely used reference rates and introduce alternative benchmarks that comply with the International Organization of Securities Commissions' (IOSCO) *Principles for Financial Benchmarks*. Following a public consultation, the MPG was established as a joint public- and private-sector body to oversee and guide the transition process.

On 3 December 2025, the SARB formally announced that Jibar will permanently cease following its final publication on 31 December 2026. All Jibar tenors will be discontinued and deemed non-representative as of that date.

* **Please note:** This media release does not suggest that Jibar becomes unrepresentative before the cessation date of **31 December 2026**.