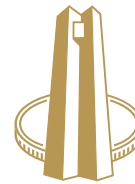


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SOUTH AFRICAN RESERVE BANK
Financial Surveillance Department

14/6/2_2021

2021-02-26

Exchange Control Circular No. 5/2021

Statement on exchange control

We refer to the Minister of Finance's 2021 Budget Speech wherein further exchange control reforms were announced in Annexure F of the Budget Review, which is attached for ease of reference.

The Minister of Finance also announced that the Financial Surveillance Department (FinSurv) of the South African Reserve Bank (SARB) will continue to develop a new legislative framework based on the Currency and Exchanges Act, 1933 in respect of the new capital flow management framework introduced in the 2020 Budget Speech.

As a further reform, the term emigration as recognised by SARB is being phased out. Following consultation with relevant stakeholders, all new emigration applications from 2021-03-01 onwards will be processed by the South African Revenue Service based on a new dispensation of confirming that the taxpayer has ceased to be a resident for tax purposes.

Furthermore, with effect from 2021-03-01, the historic terms and conditions for South African corporates with a primary listing offshore including dual-listed corporate structures, will be aligned to the current foreign direct investment policy.

Exchange Control Circular Nos. 6/2021 and 7/2021 in amplification of the foregoing changes, have been issued accordingly.

Head of Department: Financial Surveillance