national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

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MEDIA STATEMENT

PUBLICATION OF DRAFT GENERAL FINANCE LAWS (OFFICIAL BENCHMARKS AND PROCUREMENT) AMENDMENT BILL, 2025 FOR PUBLIC COMMENT

The National Treasury has published for public comment, as conveyed in Government Notice No. 6891 in Government Gazette No. 53762 (1 December 2025), the Draft General Finance Laws (Official Benchmarks and Procurement) Amendment Bill, 2025 (the draft Bill). The draft Bill proposes amendments to the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017) (FSR Act) and the Public Procurement Act, 2024 (Act No. 28 of 2024). The draft Bill can be accessed on the National Treasury website (www.treasury.gov.za).

Proposed amendments to the FSR Act
The draft Bill proposes to introduce a new chapter in the FSR Act to support the implementation of domestic reforms aimed at strengthening official financial benchmarks. South African financial markets have over time relied on the Johannesburg Interbank Average Rate (JIBAR) as the official benchmark rate for pricing loans, derivatives and other financial instruments. However, the JIBAR's reliance on indicative quotes rather than actual transactions has raised concerns about its credibility and transparency. To address this, the JIBAR will be replaced by a new reference rate, the South African Rand Overnight Index Average (ZARONIA). By establishing an appropriate legal framework, the amendments create mechanisms to facilitate an efficient transition to new official replacement benchmarks that are administered by the South African Reserve Bank.

The proposed amendments include the following provisions:

- The designation and replacement of official benchmarks used in financial contracts and offering processes, to support the transition from the current official benchmark, the JIBAR, to the new reference rate, the ZARONIA;
- Mechanisms for the replacement of the official benchmarks referenced in legacy contracts;
- Limitations on liability arising from the use of a designated replacement benchmark or designated adjustment spreads; and
- Requirements for the consultation processes to be followed by the South African Reserve Bank when replacing official benchmarks.

Proposed amendments to the Public Procurement Act
The Bill also proposes amendments to section 68 of the Public Procurement Act. These amendments extend the timeframes within which the Minister must review the implementation of the Act after it comes into effect, prepare a report on that review and submit the report to Parliament. The proposed amendment is necessitated by the fact that the Public Procurement Act has not taken effect to date pending the finalisation of the Public Procurement Regulations which are necessary for the effective implementation of the Act.

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Consultation Process

All written comments will be considered, and the draft Bill will be workshopped with various stakeholders before submission to Cabinet. The Bill will then be processed for tabling in Parliament.

Due date for public comments

Stakeholders are hereby invited to submit written comments on the draft Bill. Please forward all written comments to the National Treasury at Commentdraftlegislation@treasury.gov.za by close of business on **31 December 2025.**

For any media enquiries please email Media@treasury.gov.za

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