



Operation Phumelela

The South African
Financial Sector Competitiveness Taskforce

Event Brief

The first Operation Phumelela lekgotla, held on 2 June, focused on developing ideas to advance the competitiveness of the South African financial sector and position it as a hub for financial services in the region.

What was discussed?

Ideas were presented in four working groups through detailed research papers.

	Non-ZAR listings and collateral	Cost of capital for SMEs in private capital markets	Non-ZAR funds management	Cost of capital for small and mid caps in public markets
Why?	SA is losing to other markets like Mauritius, Dubai, London, Kenya & Morocco	SA faces regulatory friction and private market depth, deterring equity and debt flows	SA not seen as a credible fund domicile due to currency constraints and regulatory uncertainty	Small and mid cap delisting trend, limited investor appetite, damaging price discovery
Ideas	<ul style="list-style-type: none">• Enable issuers to list debt and equity in currencies other than ZAR• Enable investors to post collateral in currencies other than ZAR	<ul style="list-style-type: none">• Broaden investment product universe• Streamline cross-border approvals• Enable private credit funds• Align fund structures with global practices	<ul style="list-style-type: none">• Permit non-ZAR settlement and account denomination• Create a Synthetic Financial Centre and enable use of non-ZAR functional currencies	<ul style="list-style-type: none">• Simplify listings, expand retail investment and incentivise institutional participation• Establish patient capital vehicles
Impact	<ul style="list-style-type: none">• Derisk SA corporate balance sheets• Enable SA to finance African regional investment• Reduce cost of trading in SA markets	<ul style="list-style-type: none">• Unlocks growth capital• Diversifies funding beyond banks• Makes SA an attractive domicile for fund managers	<ul style="list-style-type: none">• Boosts SA'S appeal to global fund managers• Positions SA as a regional hub and increases long-term assets under management	<ul style="list-style-type: none">• Revives SME equity pipeline• Unlocks R20tn domestic capital pool• Improves public market liquidity and research coverage



“In short: we already have the foundation. But we must do more to unlock capital, deepen access, and position South Africa as a truly global financial hub.

Dr David Masondo
Deputy Minister of Finance



“The inaugural Operation Phumelela lekgotla will enable a regional financial hub, create jobs, grow the economy and deepen capital markets.

Dr Leila Fourie
Group CEO, JSE



“This Lekgotla marks a pivotal shift – from research and diagnosis to collaboration, alignment and implementation. There is a strong analytical foundation, but the real breakthrough lies in the collective momentum to act.

Dr Stuart Theobald
Executive Chairman, Krutham

What is next ?

The Steerco and working groups are consolidating feedback from the lekgotla in developing proposals which will then be tabled for engagement with policy makers and regulators.

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