



Providing specialist trust and fund services



November 2011

South Africa further relaxes exchange controls

It was announced recently that further relaxations of exchange controls were in the pipeline. We have included the Reuters announcement here and will provide a full update as details become available.

JOHANNESBURG Oct 27 (Reuters) - South Africa said on Thursday it would further relax foreign exchange control rules for individuals, making it easier for citizens to invest up to 5 million rand abroad annually.

The National Treasury also said it would allow companies to top up capital in their offshore businesses, and relaxed rules for corporations that want to invest outside their current business lines.

The changes mark the latest step by Africa's top economy to move away from stringent controls over foreign exchange flows out of the country.

"The annual 4 million rand foreign investment allowance plus the 1 million rand current single discretionary allowance will be consolidated into one 5 million foreign investment allowance per year" the treasury said in a statement.

South Africans could invest more than 5 million rand overseas a year as long as they adhered to "strict criteria" set by Reserve Bank for disclosure.

The Treasury said limits for individuals on alimony, wedding and travel allowance would be done away with.

In recent years, South Africa has raised the amount of money domestic institutions such as retirement funds are allowed to invest abroad.

The South African Reserve Bank will release further details within a month, Treasury said.

Should you require further information, please contact your usual Osiris contact or

Peter Todd

peter@osirisadvisors.co.uk | www.osiristrust.com

Telephone: +44 207 078 7581 | Fax: +44 207 681 3226

Coastal Building,
2nd Floor, PO Box 2221,
Wickham's Cay II,
Road Town, Tortola,
VG1110,
BRITISH VIRGIN ISLAND

Representative Office:
2nd Floor, 30 Charles II Street,
London, SW1Y 4AE,
UNITED KINGDOM