

SOUTH AFRICA IS CHANGING ITS MONEY RULES. HERE'S WHAT THAT MEANS FOR YOU.

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For more than six decades, South Africa's financial rulebook has quietly shaped how money moves across its borders. Whether sending money overseas, investing in foreign markets, or trading in digital assets like cryptocurrency, these rules have influenced transactions in ways most people never notice. Now, that framework is evolving.

After years under legislation dating back to 1961, South Africa is preparing to usher in a new era of financial regulation. In April 2026, the National Treasury and the South African Reserve Bank ("**SARB**") published the [draft Capital Flow Management Regulations, 2026](#). This brought with it a major shift aimed at modernising the country's approach to cross-border financial flows. From individuals and businesses to investors and crypto users, the proposed changes could have far-reaching implications. Here is a straightforward guide to what is changing and why it matters.

First, a bit of background

The rules being replaced are the Exchange Control Regulations of 1961, and to say they are outdated would be an understatement. These rules were written the same year humanity sent its first person into space! Long before the internet existed, before smartphones, and before anyone could even imagine buying cryptocurrency from their couch. In regulatory terms, these rules are practically collecting a pension.

The old regulations were created during apartheid, when the government wanted to stop money from leaving the country. Think of them as a kind of financial border wall; every time you wanted to send money overseas, buy foreign shares, or invest outside South Africa, the government needed to say yes first.

Over the decades, the rules were tweaked here and there. Certain things became easier. But the basic framework of “ask for permission first” stayed the same. By 2026, businesses and individuals still had to navigate a complicated maze of approvals, forms, and exemptions every time they wanted to do anything significant with money outside South Africa’s borders.

So, What’s actually changing?

The biggest noticeable shift is attitude. The old rules essentially assumed that cross-border money movement was suspicious unless you could prove otherwise. The new system flips that around. Most transactions will now be allowed to go ahead as long as they are reported properly. The government still wants to know what’s happening, but it is no longer making you wait for a permission slip before you act.

For the first time, crypto assets like Bitcoin will have their own clear rules. Restrictions on trading shares owned by non-residents will fall away, foreign-owned businesses operating in South Africa will have clearer responsibilities, and the rules around declaring foreign assets will be easier to understand. At the same time, the consequences for breaking the rules will become much stricter, and banks that do not follow the rules will also face consequences.

In simple terms, this could mean less paperwork and fewer delays for people sending money overseas, businesses paying suppliers in other countries, or investors putting money into foreign investments. Regulators will instead focus more on larger, unusual, or high-risk transactions, rather than checking every small movement of money.

What about cryptocurrency?

This is one of the most interesting parts of the new rules. For the first time, cryptocurrencies like Bitcoin, Ethereum, and others are officially included in South Africa’s financial regulations. The old 1961 rules didn’t mention crypto, simply because it didn’t exist when the rules were being written. This created a grey area where it wasn’t always clear what was allowed.

Under the new rules, if you want to move crypto assets across South Africa’s borders either by buying from someone abroad or sending crypto overseas, you’ll need to go through an “authorised crypto asset service provider”. Think of it like needing to use a licensed bank for foreign currency; you can still do it, but you have to use an approved channel. This gives South Africans clarity and legal protection, and it helps the government track money laundering and other financial crimes that can happen through crypto.

What about declaring your foreign assets?

Under the new rules, if you own anything of value outside of South Africa, like a foreign bank account, overseas shares, property abroad, or even crypto held on a foreign platform. You are required to declare it in writing within 30 days of getting it. You must state what it is, how you got it, and where it is held.

This sounds strict, but it’s actually simpler than the old system, where the rules were vague, and people were often unsure whether they were complying or not. Now there’s a clear written process.

What are the penalties?

The consequences for breaking the rules have been significantly increased. Under the old regulations, fines were set in the 1961 values, so small that some people treated them as the cost of doing business. Under the new rules, you can be fined up to R1 million, or the full value of the money

involved in the transaction (whichever is higher), and you could face up to five years in prison. The government is serious about enforcement.

Banks and other authorised dealers can also now face official sanctions, including public naming and shaming, suspension, or losing their licence if they don't follow the rules properly. This is new, and it means your bank has a strong incentive to make sure your transactions are done correctly.

What does this mean for ordinary South Africans?

For most people, the day-to-day experience should get simpler. Sending money to family abroad, paying for international services, or investing in global markets should involve less red tape than before. The government is essentially saying, we trust you to do these things, just tell us about it.

If you hold foreign assets or crypto, the message is equally clear: declare them. The rules now give you a straightforward path to doing things correctly, including a process for voluntarily coming clean if you've been unclear about your obligations in the past.

The public comment period on the draft closed on 18 May 2026. The National Treasury and the SARB will now review the feedback they received and may make changes before publishing the final regulations. Once finalised, the new rules will replace the 1961 regulations and take effect immediately.

The Bottom Line

South Africa is not simply updating old financial rules; it is taking an important step toward building a financial system that better reflects the world we live in today. For 65 years, the system was designed for an era of paper forms, physical banks, and slow-moving transactions. But money now moves differently. It travels across borders in seconds, through digital platforms, online investments, and even cryptocurrencies that did not exist when the old rules were created.

The real question is whether regulation can keep up with a financial world that changes faster than laws can be written. The new regulations suggest that South Africa is trying to strike a difficult balance: allowing people and businesses more freedom, while still keeping the financial system safe. Whether this new approach succeeds remains to be seen. But one thing is clear: South Africa is taking meaningful steps toward building a framework designed for the future.
