

Amendments to the JSE Listings Requirements: Simplification Project

In May 2022, and as part of its ongoing efforts to ensure that the bourse is fair, efficient, transparent and competitive, the JSE released a consultation paper, requesting stakeholders to comment on a raft of proposals. One such proposal was the Simplification Project for which overwhelming support was received during the consultation. The JSE is accordingly proposing amendments to the JSE Listings Requirements (the “**Requirements**”), dealing with the Simplification Project,

Background and Public Consultation Process

The Simplification Project aims to simplify the Requirements using plain language to record concise regulatory objectives, allowing better understanding and application of the requirements by listed companies, sponsors, shareholders and investors. The result of simplification will mean a complete rewrite of the Requirements.

An additional benefit of the simplification will be the significant reduction in the volume of the Requirements. During the process, the JSE will also assess the regulatory relevance of each provision and ‘*cut red tape*’ where possible to ensure that the Requirements are fit for purpose aimed at an effective and appropriate level of regulation. To this end, any amendments beyond simplification will be clearly identified and the rationale explained.

Recognising the magnitude of the project, the JSE envisages that it may take up to 18 months to complete. For that reason and to make the public consultation process more palatable, a staggered and open consultation process will be followed. This means that Sections released for public consultation will be released in batches and be open for public consultation for a period of thirty days as contemplated in the Requirements. Subject to public comments received, updated versions of Sections may be released for further public comments for a period of 30 days.

In order to mitigate and manage cross-referencing issues across the various Sections, all the Sections will effectively remain open for public consultation for that purpose until the project is complete. However, the JSE reserves the right to move forward with any Section to completion, to the extent that it is certain that there will be no cross-referencing issues and that the Section can be isolated.

The JSE has released its first four simplified Sections, being Section 1 (General Powers of the JSE), Section 2 (Sponsors), Section 9 (Transactions) and Section 10 (Related Party Transactions). A dedicated Simplification Project portal has been created through the link above, which will form the central database for the project.

Each Section will include the following documents for public consultation:

- Key Amendments Schedule to identify any amendments that are not consider simplification.
- Marked-up version of the Section; and
- Clean simplified version.

A SENS announcement will communicate the release of further Sections to the market for public consultation.

The proposed amendments are available on the JSE’s website:

<https://www.jse.co.za/regulation/companies-issuer-regulation>

Announcements regarding Listings Requirement – September 2023

The JSE invites comments on the proposed amendments by close of business on Monday, 23 October 2023, and comments can be sent to simplification@jse.co.za.

Any queries or questions can be directed to alwynf@jse.co.za.

20 September 2023