

**Media Release**  
**Financial Sector Transformation Council (FSTC)**  
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**New CEO to breathe life into financial sector transformation**

Breathing new life into the Financial Sector Transformation Council (FSTC\*) is a top priority for Pumla Ncapayi, who was recently appointed as CEO of the body tasked with overseeing transformation in the financial sector.

The FSTC exists to play a key role in driving the financial sector's transformation agenda in line with the Amended Financial Sector Code (FSC), which was gazetted in December 2017 following an extensive process of stakeholder consultation.

The Amended FSC provides the financial sector with a clear roadmap to building on existing achievements in black economic empowerment for the benefit of all stakeholders and is also the framework against which the empowerment progress of the financial sector is measured.

Ncapayi traded her previous position as Head of the Gauteng Department of Economic Development for the private sector in December 2020 to help harness the power of the financial sector in achieving inclusive economic growth for South Africa.

According to Ncapayi, the accelerated transformation of the financial sector is crucial in achieving a sustainable, inclusive and growing economy in South Africa. She adds that the delivery of a credible yardstick of progress made to date is therefore critical.

Ncapayi's number one priority is reporting on the financial sector's state of transformation for 2018-2020. This forms part of the FSTC's key deliverables and provides a transformation barometer for the sector.

"The goal is to present stakeholders with a user friendly report card that outlines both the transformation achievements as well as the shortcomings of the financial sector when measured against the Amended FSC."

Ncapayi adds that the FSTC's Financial Sector State of Transformation Reports, together with the findings of the B-BBEE Commission's National Status and Trends Report for 2020, will serve as a yardstick to guide the upcoming review of the Amended FSC.

The FSTC is obliged to review and amend the gazetted FSC from time to time. According to Ncapayi the next review is long overdue and is therefore being actioned with urgency.

"The review process will encompass an assessment of all elements of the FSC, including empowerment, ownership, black business growth funding and procurement as these are critical in achieving the targets of the measured entities and align with the key elements of good practice outlined in the empowerment framework of the country."

Since taking over as CEO of the FSTC, Ncapayi has focused on capacitating the Secretariat so that the FSTC can effectively deliver against its mandate to provide greater strategic

direction to the financial sector on transformation and development initiatives that support economic growth and job creation. These initiatives include:

- The funding and development of black business in general and black industrialists in particular;
- Support for small black businesses through Enterprise and Supplier Development (ESD) and preferential procurement;
- Public Private Partnership (PPP) projects to fund higher education; and
- Increasing financial inclusion and consumer financial literacy levels.

According to Ncapayi, strengthening collaboration with industry stakeholders as represented on the FSTC as well as the National Economic Development and Labour Council (Nedlac) and Government will be key to advancing transformation within the financial sector.

## **Ends**

**\* Note to editors:** The Financial Sector Transformation Council (FSTC) consists of representatives from organised labour, community, government, and business as represented by the financial sector trade associations.

### **Issued on behalf of:**

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*The role of the Financial Sector Transformation Council (FSTC) is to provide the financial sector with interpretive guidance and practice directives with regard to the application or intention of the Amended Financial Sector Code (FSC), facilitate negotiation and agreement by all stakeholders when amendments to B-BBEE regulation are required, and report on the progress made by the financial sector in terms of the FSC.*