



WEEKLY POLITICAL AND ECONOMIC REVIEW

Economic Updates

RESERVE BANK: MONITORY POLICY REVIEW

- On 15 April the South African Reserve Bank released the [Monetary Policy Review](#);
- The report highlighted that the SARB reduced the repo rate by a total of 75 basis points between September 2024 and January 2025, bringing it to 7.5%;
- However, due to heightened global uncertainties, the scope for further easing has narrowed, and rates may remain unchanged for longer than previously anticipated;
- Headline inflation decreased to 4.4% in 2024 and is projected to average 3.6% in 2025. Nonetheless, persistent services inflation and proposed VAT increases pose risks to the inflation outlook;
- South Africa's GDP grew by 1.1% in 2024, with forecasts indicating growth of 1.7% in 2025 and 1.8% in 2026. Improvements in energy supply and logistics are expected to support this growth trajectory;
- The SARB highlighted that global trade tensions and geopolitical uncertainties have increased, posing significant risks to both global and domestic economic activity;
- New indicators, such as the Persistent and Common Component of Inflation (PCCI) and supercore inflation, are tracking above traditional core inflation measures, indicating underlying inflationary pressures.



MINING: PRODUCTION AND SALES REPORT



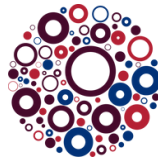
- On 15 April, StatsSA published the [Mining: Production and Sales report](#) covering the month of February 2025;
- The report shows that Mining production decreased by 9,6% year-on-year in February 2025. The largest negative contributors were: PGMs (-23.9%), Iron ore (-10.5%), Gold (-7.6%) and Coal (-4.3%);
- On a month-to-month basis, seasonally adjusted mining production decreased by 4,4% in February 2025 compared with January 2025. Over the three months ending February, the drop was 6.7% reflecting a sustained down trend;
- Mineral sales at current prices decreased by 12.9% year-on-year in February 2025. This was largely due to Gold (-32.7%), Iron ore (-29,5%), PGMs (-12,2%) and Chromium ore (-23.2%);
- Despite widespread declines, coal was the only significant mineral with positive year-on-year growth in sales up to 5.3%, contributing 1.4 percentage point to the total sales;
- The largest negative contributions to the overall mining production decline were: PGMs (-5.8 percentage points), Iron ore (-1.9 percentage points), Coal and Gold (each contributed -1.0 percentage point).

Government Updates



APPOINTMENT OF THE SPECIAL ENVOY TO THE US

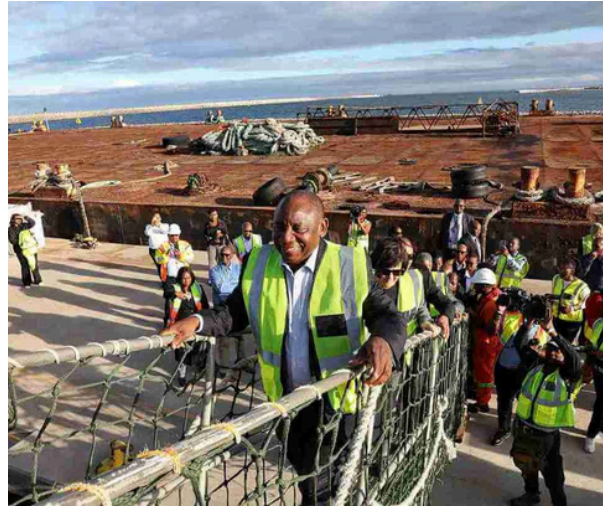
- On 14 April, President Cyril Ramaphosa announced the [appointment of Mr. Mcebisi Jonas](#) as South Africa's Special Envoy to the USA;
- Jonas is tasked with strengthening diplomatic, trade and bilateral ties with the US Administration;
- He will represent the President and government, foster strategic partnerships and engage with U.S. government officials and private-sector leaders to promote South Africa's interests.



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PRESIDENT'S OVERSIGHT VISIT TO EASTERN CAPE

- On 15 and 16 April, President Cyril Ramaphosa undertook an oversight visit to the Eastern Cape Province where he engaged with the Provincial Executive Committee and received a briefing on the Port of Ngqura;
- The visit comes after the latest Auditor-General report on the Eastern Cape highlighted a lack of accountability and vague reporting to hide a dire absence of performance and service delivery;
- The President's programme commenced with a briefing by the Transnet leadership on the port which is one of South Africa's newest deep-water ports;
- The President also met with Eastern Cape Premier Oscar Mabuyane and his executive council to discuss conditions and opportunities in the province as part of strengthening intergovernmental cooperation, collaboration and consultation;
- The national and provincial executives discussed various approaches to improving service delivery at local government level.



MINISTER RONALD LAMOLA IN RUSSIA FOR WORKING VISIT

- On 14 April, Minister of International Relations and Cooperation, Ronald Lamola, arrived in Moscow, Russia, for a two-day working visit;
- The Minister was scheduled to hold political consultations with his counterpart, Minister Sergey Lavrov;
- The visit forms part of South Africa's ongoing foreign policy efforts to advocate for peaceful conflict resolution through inclusive dialogue;
- South Africa is positioning itself as a neutral mediator in the Russia-Ukraine conflict;
- Lamola emphasised that peace talks must involve both Russia and Ukraine, reinforcing South Africa's non-aligned approach.

Legislative Updates

REVIEW OF WHITE PAPER ON LOCAL GOVERNMENT

- On 10 April, the Department of Cooperative Governance and Traditional Affairs published the Discussion Document: Review of the White Paper on Local Government 1998 (WPLG98), inviting interested parties and stakeholders to submit written comments;
- The Discussion Document is part of a process of local government reform and restructuring over the short, medium, and long term. It initiates a national discussion aimed at producing a revised White Paper on Local Government by March 2026;
- In a media statement the department clarified that the review aims to incite fresh thinking, honest reflection, and decisive action toward building a fit-for-purpose local government system that truly serves the people of South Africa;
- Deadline for the submission of written comments is 30 June 2025.



WITHDRAWAL NOTICE: CANNABIS SATIVA L PRODUCTS

- On 9 April, the Department of Health officially withdrew cannabis-related regulations published on 7 March 2025;
- The withdrawn regulations had banned the sale, import, or manufacture of food products containing any part of Cannabis Sativa L, including hemp;

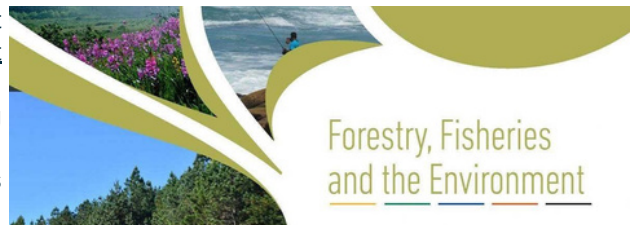


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- Products like hemp seed oil and hemp seed flour were also included in the ban;
- The withdrawal follows a 26 March 2025 statement from the Presidency, noting that Health Minister Dr Aaron Motsoaledi would revise the regulations after broader consultation.

DRAFT STRATEGY ON DISPOSAL OF ABSORBENT HYGIENIC PRODUCTS

- On 11 April, the Department of Forestry, Fisheries and the Environment released a [draft strategy on managing absorbent hygiene product waste](#) for public comment;
- The strategy targets disposable diapers and similar products, focusing on their design, lifecycle, and waste control;
- It proposes mandatory recovery, treatment, and recycling over 15 years and includes making fuel pellets as a coal alternative;
- It also suggests funding through levies and development grants.



UPSTREAM PETROLEUM RESOURCES DEVELOPMENT ACT



- On 14 April, the Department of Mineral Resources & Energy gazetted draft regulations under the 2024 [Upstream Petroleum Resources Development Act](#), inviting interested stakeholders to submit written inputs by 14 May 2025;
- This is noting that the Act's section 111 provides for the new statute's phased commencement;
- The Act creates an independent piece of legislation for the sector, and seeks to:
 - provide for 'much-needed legislative and regulatory certainty', as well as to
 - facilitate the sector's 'economic transformation', among other things by 'enhancing' state participation.

DETERMINATION OF SECTORAL NUMERICAL TARGETS

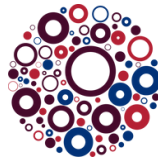
- On 15 April, the Minister of Employment and Labour, Nomakhosazana Meth, gazetted the [determination of sectoral numerical targets](#) as required by Section 15A of the Employment Equity Act;
- These targets are designed to enhance transformation across occupational levels in various economic sectors, ensuring equitable representation of historically disadvantaged groups, including women and persons with disabilities;
- The notice classifies 18 economic sectors (e.g., mining, education, construction, manufacturing, financial services), each with unique 5-year transformation targets across four occupational levels namely: Top Management, Senior Management, Professionally Qualified/Middle Management, and Skilled Technical;
- Employers and businesses must align their Employment Equity Plans with these targets and report progress annually as failure to show movement toward these targets could impact licensing, government contracts, and B-BBEE ratings.



Africa Watch

NGUEMA WINS PRESIDENTIAL ELECTIONS

- On 13 April, Gabon's military leader Brice Oligui Nguema won the country's presidential election by a significant margin;
- Nguema, who secured about 90 percent of the vote promised to "restore dignity to the Gabonese people";
- He emphasised a number of diplomatic achievements accomplished in less than two years, including the opening of new embassies by countries such as the United Kingdom and India;



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- Nguema also announced that Serbia and the United Arab Emirates are expected to establish embassies soon, further enhancing Gabon's international diplomatic footprint;
- The reaction of international and regional partners will play a pivotal role. Widespread acceptance of the election outcome could enhance diplomatic relations and bolster investor confidence, whereas doubts regarding its legitimacy may result in isolation.

TANZANIA'S OPPOSITION REJECTS DISQUALIFICATION CLAIMS

- On 14 April, Tanzania's main opposition party, Chadema, rejected claims that it has been disqualified from the country's forthcoming general elections;
- This follows a statement issued by the Independent National Electoral Commission (INEC) announcing that the party was disqualified for failing to sign the mandatory code of conduct agreement by the stipulated deadline ahead of the elections scheduled for October;
- The party maintains that it still has time to meet the legal requirements and cautions that a credible election cannot occur without immediate electoral reforms;
- The disagreement over the disqualification could escalate political tensions, with the opposition likely to challenge the election process.



ALGERIA EXPELS FRENCH OFFICIALS

- On 14 April, Algeria expelled twelve French diplomatic personnel. The order followed charges in France against an Algerian official over the kidnapping of an opposition leader near Paris last year;
- A phone call between French President Emmanuel Macron and Algerian President Abdelmadjid Tebboune at the end of March was a first sign of a possible reconciliation after months of crisis;
- However, this escalation, the largest removal of French diplomats since Algeria gained independence in 1962, shows that anti-French views are still strong within Algeria's government;
- This signals a serious deterioration in diplomatic ties between Algeria and France, potentially leading to reduced cooperation on key issues such as trade and migration.



LONDON HOSTS CONFERENCE ON SUDAN CRISIS

- On 15 April, the United Kingdom's (UK) Foreign Secretary David Lammy hosted a high-level international conference in London to find "a pathway to peace" in Sudan. Sudan's civil war began two years ago causing the world's worst humanitarian crisis;
- The conference is co-chaired by the UK, European Union (EU) and African Union (AU). Egypt, Kenya and the United Arab Emirates (UAE) are among the other attendees. However, the Sudanese government is not invited;
- Sudan criticised the conference's legitimacy and the UK's decision to invite countries it accuses of supporting the Rapid Support Forces (RSF);
- The presence of the UAE and Kenya may undermine the perceived neutrality of international peace initiatives, potentially hindering effective conflict resolution.



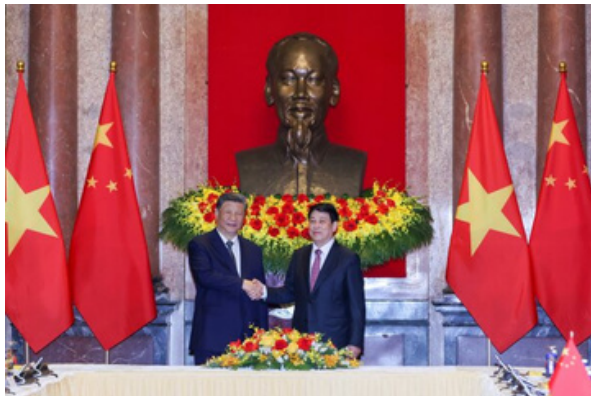


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International Affairs

EU FOREIGN MINISTERS GATHER TO DISCUSS GEOPOLITICAL CHALLENGES

- On 14 April, the EU Foreign Affairs Council gathered in Luxembourg to discuss a range of geopolitical issues including the crises in Ukraine and Gaza, calling for ceasefires;
- The agenda for the meeting included Syria, EU-Africa relations, issues in the Western Balkans and Azerbaijan-Armenia relations;
- The session was chaired by High Representative of the EU on Foreign Affairs and Security Policy, Kaja Kalas;
- The group called for harsher sanctions to be placed on Russia in an effort to quell the hostilities in eastern Europe, whilst also calling on the U.S. to force Russia into negotiations;
- The Council also agreed to intensify its support for Palestine, committing to providing the county with U.S \$1.8 billion (R33.8 billion) until 2027 to help stabilise the West Bank and Gaza and supporting a Two-State solution.



CHINESE PRESIDENT TOURS SOUTH-EAST ASIA

- On 14 April, Chinese President Xi Jinping started the first leg of his South-east Asia tour in Vietnam;
- The week-long tour saw Jinping visiting the countries of Vietnam, Malaysia and Cambodia – making a case for regional free trade;
- Jinping has caked for the strengthening of strategic resolves across the three countries – whilst calling for the region to collectively oppose unilateral bullying acts and uphold the global free trade system;
- China and Vietnam signed a series of memorandums on cooperation in supply chains and a joint railway project;
- Jinping also promised greater access for Vietnamese agricultural exports to China.

EU AND PALESTINE HOST THEIR FIRST-EVER HIGH-LEVEL DIALOGUE

- On 14 April, the first ever meeting of the EU-Palestine High Level Political Dialogue took place in Luxembourg;
- The EU and the Palestinian Authority discussed the conflict in Gaza, unfolding situation in West Bank and the Israel-Palestinian relations as well as prospects for advance the Two State Solution;
- The meeting was co-chaired by the High Representative of the EU Foreign Affairs and Security Policy, Kaja Kallas and the Prime Minister and Foreign Affairs Minister of the Palestinian Authority Mohammad Mustafa;
- The EU reiterated its support for the Palestinian people, and its commitment to sustainable peace based on the Two-State solution, financial assistance to the people of Palestine, infrastructural support for the West Bank and Gaza and supporting Palestine's private sector.



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