

Weekly Political and Economic Highlights

18 July 2025

ECONOMIC UPDATES

Return of Koeberg Unit 1 Delayed

- On 15 July, Eskom announced that the return of Unit 1 which was scheduled to return in July would be delayed to the end of August;
- Following a scheduled inspection, defects were discovered in four tubes across two newly installed generators, local and international experts were then called in to collaborate on the repairing of these tubes;
- Outside of these repairs, an Integrated Leak Rate Test (ILRT) was also conducted to testing the leak rate and structural integrity of the reactor building;
- Eskom has reassured that given the recent return of the Medupi unit 4 and the synchronizing of Kusile Unit 6 to the national grid, there is little concern that this delay will result in loadshedding;
- In a presentation to the Portfolio Committee on Electricity and Energy on 16 July, Eskom also stated that it has received permission from government to continue operating Hendrina, Grootvlei, Arnot, Camden and Kriel, which were meant to have been decommissioned during the 2020s, at existing minimum emission standards plant limits until March 31, 2030.



GOVERNMENT UPDATES

Mashatile Concludes Working Visit to China

- On 18 July, Deputy President Paul Mashatile concluded a five-day Working Visit to China. He was accompanied by a delegation of Ministers, Deputy Ministers in International Relations and Cooperation, Small Business Development, Tourism, Trade, Industry and Competition, Water and Sanitation and Agriculture;
- The scope of the visit included SA's inaugural participation in the China International Supply Chain Expo (CICSCE) and a meeting with the Vice President of China, Han Zheng;
- In his remarks at CICSCE, Mashatile described China as key partner in South Africa's economic journey. He called for trade expansion and balancing trade by increasing the number of South African products on e-commerce platforms like Alibaba;
- He concluded by inviting investors to consider Special Economic Zones (SEZs) in South Africa by delineating SEZs merits; tax breaks and streamlined regulations;
- The delegation of SA businesses in the manufacturing, plastics, chemical and mining engineering sectors made the most of the visit to build business relations and form partnerships. One being the placement of South African products in various Free Trade Zones throughout China;



- The delegation met with the Vice President of China on 17 July, where Paul reiterated the significance of SA's participation on CISCE and extended an invitation to Vice President, Han Zheng to South Africa next year to co-chair the 9th South Africa- China Bi-National Commission.

POLITICAL UPDATES

EFF retains highly contested ward in Seshego

- On 17 July, the Economic Freedom Fighters (EFF) retained the highly contested ward 13, Seshego within the Polokwane Local Municipality, garnering 57,34% of the votes;
- This by-election in Julius Malema's hometown came about after an EFF councillor was expelled from the Polokwane municipal council due to misconduct;
- Notably, this by-election was also contested by the African National Congress (ANC) and the South African Communist Party (SACP) respectively, for the first time in Limpopo;
- The EFF's 57% victory in ward 13 Seshego marks a significant boost for the EFF, increasing their support from 51% in 2021, while the ANC's support dropped from 47% to 41%, while the SACP garnered 1% of the votes;
- The EFF noted the victory as a testament of the trust the community of Seshego placed on the organisation.



LEGISLATIVE/REGULATORY UPDATES

IEC's 2024 National and Provincial Elections Report

- On 16 July, The Portfolio Committee on Home Affairs received the overall 2024 national and provincial elections report from the Electoral Commission of South Africa (IEC);
- The IEC identified areas of improvement, such as challenges with the IT system, faults with the voter management devices, voting station inefficiencies and the need for improved training of electoral staff assure the committee that the Commission is doing everything to improve the quality of voting experience and efficiency of a voting station;
- The IEC reported that the gender split of voter participation on 29 May 2024 was 58% women and 42% men, which is broadly in line with prior elections;
- The Committee emphasised the need for a reassessment of how to address voter apathy and declining voter turnout. It emphasised that enhanced civic and democratic education strategies must be urgently implemented to ensure that the number of voters increases to strengthen the country's democracy.
- The committee also urged IEC to highlight any legislative gaps that the committee and Parliament can work on to ensure that elections are seamless.



Public hearings on the Tobacco Bill

- On 15 and 16 July, the Portfolio Committee on Health (PCoH) continued with oral hearings for Tobacco Products and Electronic Delivery Systems Control Bill. The PCoH heard presentations from Lesedi Black Business Forum, NEDLAC, South African Spaza and Tuckshop Association and World Vapers Alliance;
- The general sentiment from the organisations is that while it is necessary to protect non-smokers and children from smoking, there should also be consideration of the consequences on livelihoods and communities;
- More so, the tobacco industry is burdened by proliferation of illicit trade which will nullify the intended objectives of the bill if not adequately addressed;
- The Portfolio Committee on Health will consider all the inputs made by the stakeholders, deliberate and then approve, amend or reject the bill before sending it to the National Assembly for a vote.



Ad Hoc Committee to Consider Mkhwanazi Allegations

- On 16 July, a joint meeting between the Portfolio Committee on Police and the Portfolio Committee on Justice and Constitutional Development resolved to recommend to the National Assembly (NA) that an ad hoc committee is the best parliamentary process to consider allegations made by the South African Police Service KwaZulu-Natal Provincial Commissioner, Lieutenant-General Nhlanhla Mkhwanazi;
- This follows the consideration of a Parliamentary Legal Service legal opinion. The Committees were of the view that an ad hoc committee is the best format to interrogate the allegations. Ad hoc committees are formed as per Rule 253 of the National Assembly. The rationale for this option is that the scope of such a committee is specific and time-bound;
- On 13 July, President Cyril Ramaphosa announced the establishment of a judicial commission of inquiry chaired by Acting Deputy Chief Justice Mbuyiseli Madlanga to address Mkhwanazi's allegations and the implications thereof;
- Justice Madlanga will be assisted by Advocate Sesi Baloyi SC and Advocate Sandile Khumalo SC;
- The Commission is expected to complete its work and submit a final report to the President. Interim reports are expected after 3 and 6 months respectively.



AFRICA WATCH

Africa Economic Symposium

- On 14 July to 15 July the Policy Center for the New South (PCNS) hosted the Africa Economic Symposium Rabat, Morocco, under the theme “Bold Moves amid Global Shifts”;

- Two central themes of the agenda were macroeconomic policy challenges, including discussions on monetary stability, fiscal sustainability; and public policy preferences, exploring key drivers of economic transformation across Africa;
- There were discussions on the African Continental Free Trade Area (AfCFTA), the development of regional economic corridors, the emergence of central bank digital currencies, and innovative sources of development financing;
- The sessions highlighted the importance of moving toward innovative financing models based on mobilising domestic resources and smart partnerships instead of excessive reliance on aid;
- The role of central-bank digital currencies (CBDCs) was presented as a means of promoting financial inclusion and reducing remittance costs, especially in marginalized regions. Economic corridors were also mentioned as a tool for achieving inclusive development, provided that effective regional-governance mechanisms are in place;
- Overall, the symposium sought to provide responses to geopolitical challenges, persistent inflation and tensions on supply chains, and provide Africa with concrete ways to strengthen its economic resilience.



France Ends Military Presence in Senegal

- On 17 July, after more than six decades, the last French military base in Senegal was officially handed over to the Senegalese army, ending France's permanent military presence in the country;
- Last December Senegal's President Diomaye Faye called for the closure of all French military bases, arguing that their presence clashed with the nation's sovereignty;
- French military bases in Chad and Ivory Coast were closed in January 2025 and February 2025;
- By February 2023, France's President, Emmanuel Macron announced a reduction in troop numbers in Africa, driven in part by growing anti-French sentiment in former colonies and increasing competition from nations like Russia. France has since completed withdrawals from Burkina Faso, Chad, Niger, and Ivory Coast, and Senegal now joins this list.



INTERNATIONAL AFFAIRS

Trump and NATO Secretary-General Meet

- On 14 July, U.S. President Donald Trump and NATO Secretary-General Mark Rutte met in Washington to advance critical efforts in support of Ukraine's defence against Russian aggression;

18 July 2025

- Mr. Rutte highlighted the momentum from the recent NATO Summit in The Hague, where Allies agreed to a 5% GDP defence spending target and increased defence industrial production as well as continued support to Ukraine;
- In addition, Trump declared that there would be secondary tariffs of up to 100%, imposed on countries who continue to trade with Russia if a ceasefire deal between Russia and Ukraine is not reached within the next 50 days;
- In addition, U.S. Senators Lindsey Graham and Richard Blumenthal made a joint statement indicating that a 500% tariff would be put on countries that buy Russian oil and gas, highlighting BRICS countries Brazil, India and China.



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