



WEEKLY POLITICAL AND ECONOMIC HIGHLIGHTS

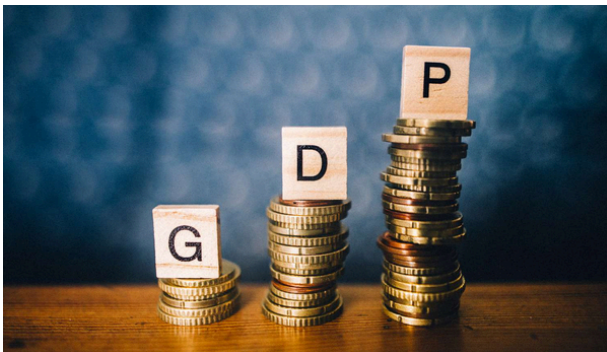
Economic Highlights

Eskom's Summer Outlook

- On 5 September, Electricity and Energy Minister Dr Kgosientsho Ramokgopa announced that thanks to a strengthened recovery plan which has added additional 4000MW of capacity, Eskom forecasts no loadshedding for the summer season from 1 September to 31 March 2026;
- Since 2023, Eskom has restored 7800MW of capacity, including the commissioning of the Medupi Unit 4;
- Eskom's energy availability factor (EAF) rose from 55% in FY2023 to 60.6% in FY2025, with a 61.1% year-to-year improvement;
- Unplanned outages dropped to 10 100MW by end of August with a record low of 6900MW between 23-24 August;
- Diesel generator expenditure dropped from R33 billion to approximately R17 billion for FY2024 and FY2025 respectively, diesel load factor decreased from 16.02% in April to 1.84% in August;
- Koeberg Unit 1 is expected to return to service later in September, adding another 930MW of capacity.



South African GDP Increases



- On 9 September, Statistics SA announced that South Africa's GDP increased by 0,8% in Q2, following an increase of 0,1% in the first quarter of 2025;
- Eight industries recorded positive growth between the first and the second quarters of 2025;
- The manufacturing industry was the largest positive contributor, increasing by 1,8% and contributing 0,2 of a percentage point to the positive GDP growth;
- Consumer expenditure also increased with the trade, catering & accommodation industry rising by 1,7%, its strongest growth since Q1 2022;
- The transport industry was the largest negative contributor, decreasing by 0,8% and contributing -0,1 of a percentage point;
- Due to decreases in imported chemical products, machinery & electrical equipment, mineral products and vegetable products, imports fell by 2.1%;
- Exports also dropped due to declines in exported base metals & articles of base metals, vegetable products, and vehicles & transport equipment;
- Kevin Lings, Stanlib chief economist, commented that although the number is positive, an important reference in evaluating the GDP growth rate is the population growth. Lings stated that "According to the most recent population estimate released by Stats SA, [the] population is growing by about 1.4% a year, which suggests that SA's GDP performance has to at least exceed the population growth on an annual basis to be encouraging;"
- Government on the other hand, welcomed the news, viewing it as a positive sign of the impact of ongoing initiatives to stimulate growth, support local industries, and create jobs.

Government Updates

Minister Taul Withdraws The Draft National Credit Regulations

- On 11 September, the Department of Trade, Industry and Competition (DTIC) Minister Parks Tau withdrew the recently gazetted National Credit Regulations, due to public outcry;
- The specific proposed amendment which attracted concerns is the provision which would allow credit bureaus to obtain a person's credit information from educational institutions;
- Many organisations, including political parties, argued that the inclusion of educational institutions as sources of consumer credit information would blacklist unemployed graduates;



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- Initially the Minister sought to clarify the regulations, arguing that the regulations were not aimed at prejudicing any group but rather to ensure access to finance;
- Minister Tau had also stated that the lack of adequate credit history impedes the ability to access credit from formal sector providers. Particularly for Micro, Small and Medium Enterprises;
- The DTIC announced that the Minister's decision was due to an overwhelming majority of the 20 000 comments received being opposed to the draft regulations.



Legislative Highlights

Immigration Amendment Bill



- On 11 September, the National Assembly passed the Immigration Amendment Bill which aims to rectify flaws in Section 34(1) of the Immigration Act 13 of 2002, which governs the detention of illegal foreigners before deportation;
- According to Adrian Roos, National Assembly Representative on the Magistrates Commission, the bill addresses previous inconsistencies in detention and release decisions, which carried risks of arbitrary detention in tandem with arbitrary release;
- The key aspects of the Bill include the introduction of clearer guidelines by requiring the Minister of Home Affairs to

establish regulations outlining factors for consideration in detention decisions;

- This shift means immigration officers and magistrates will apply the law based on transparent, publicly available standards, replacing previously opaque standard operating procedures;
- In addition, the bill aligns South Africa's immigration system with the Constitution, equipping the state with stronger tools to enforce laws against illegal immigration;
- Minister Léon Schreiber highlighted that the bill brings greater predictability to the deportation process, he further announced plans for a draft White Paper on Citizenship, Immigration and Refugee Protections, which will be open for public comment, indicating further developments in South Africa's immigration policy framework;
- The bill has been forwarded to the National Council of Provinces for concurrence.

Africa Watch

ECCAS's Newly Elected President



- On 7 September, Ézéchiél Nibigira, Burundi's former Foreign Minister, was elected as the new president of the Economic Community of Central African States (ECCAS) Commission for a five-year term (2025-2030) at a special summit in Equatorial Guinea;
- Nibigira, currently a member of parliament, brings a wealth of experience to the role, having served as Burundi's ambassador to Kenya, Minister in charge of the East African Community, and Foreign Minister;
- Given Burundi's close ties with the Democratic Republic of Congo (DRC) administration, it comes as no surprise that the protracted conflict in eastern DRC is a key agenda item for Nibigira;



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- Burundi's stance on the DRC conflict, where it aligns with Kinshasa and opposes the M23 rebel group backed by Rwanda, puts Nibigira at odds with Kigali, reflecting strained Burundi-Rwanda relations;
- ECCAS's new administration under Nibigira aims to prioritise regional security, drive reforms, maintain stability, champion regional integration, promote peace and cooperation, and restore the 11-member bloc's credibility following accusations of poor management;
- However, ECCAS faces challenges, including Rwanda's withdrawal from the organisation in June 2025. Rwanda cited bias towards Kinshasa at the expense of the M23 rebel group, accusing the DRC of instrumentalising ECCAS with support from some member states;
- Rwanda's departure followed a decision by ECCAS to have Equatorial Guinea continue leading the bloc, rather than handing over to Rwanda as expected;
- Rwanda's foreign ministry denounced this as a violation of its rights, leading to its exit, stating it saw "no justification for remaining in an organisation whose current functioning runs counter to its founding principles."

Elections Snapshot

Country	Election Date	Recent Developments
Malawi (16 Sept)	16 Sept 2025	On 8 September, the African Union (AU) and the Common Market for Eastern and Southern Africa (COMESA) announced the arrival in Malawi of the 76 short-term election observation mission (AU-COMESA EOM)
Seychelles	27 Sept 2025	From 9 to 12 September, SADC deployed the Electoral Observation Mission to observe the 2025 Presidential and National Assembly Elections in the Republic of Seychelles, accompanied by the SADC Secretariat
Cote d'Ivoire	25 Oct 2025	On 9 September, the former first lady of the Ivory Coast, Simone Gbagbo was cleared by the Constitutional Court to contest the presidential elections. Representing the Political Partners for Peace coalition, she becomes one of five presidential candidates
Tanzania	29 Oct 2025	On 9 September the Committee to Protect Journalists (CPJ) urged Tanzania to lift the suspension of news platform JamiiForums ahead of the October elections, criticising the move as suppression of public debate. This is three days after Tanzania Communications Regulatory Authority (TCRA) suspended JamiiForums' license for 90 days, citing breaches of the Electronic and Postal Communications Act, including publication of misleading content defaming the president and undermining national unity.



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Grant Ethiopian Renaissance Dam Inauguration

- On 9 September, Ethiopia inaugurated the Grand Ethiopian Renaissance Dam (GERD) on a tributary of the Nile River;
- As Africa's largest hydroelectric dam, GERD is poised to double Ethiopia's electricity capacity, potentially bringing modern energy to around 60 million citizens who currently rely on polluting fuels like coal, gas, and wood;
- The surplus power is expected to be exported to neighbouring countries, with Ethiopia already signing electricity contracts with Kenya, Sudan, and Djibouti, and exploring deals with other regional partners;
- However, the GERD's construction, initiated in 2011, has been a point of contention among Nile basin countries;
- Downstream nations Sudan and Egypt are heavily dependent on the Nile's waters – Sudan for drinking water and agriculture, and Egypt, which draws 90% of its national water supply from the river;
- Egypt has expressed concerns over the lack of consultation with Ethiopia before the dam's construction, fearing impacts on its water security, particularly during droughts and potential future upstream dam developments;
- Both Egypt and Sudan have pushed for legally binding agreements on water sharing, operational coordination, safety measures, and dispute resolution mechanisms, but negotiations have seen limited success;
- Upstream countries like Uganda support the GERD and advocate for a regional accord ensuring equitable water use, though Egypt and Sudan have not signed onto such frameworks;
- The situation is complicated by the legacy of the 1959 Nile Waters Treaty, a bilateral agreement between Egypt and Sudan allocating 55.5 billion cubic meters annually to Egypt and 18.5 billion cubic meters to Sudan;
- Ethiopia, considered the source of the Blue Nile, contributing 85% of the river's flow, was not a party to this treaty and does not recognise it, rendering the agreement contentious in this context.



International Affairs

BRICS Virtual Summit



- On 8 September, Brazil hosted a virtual BRICS Trade Summit, joined by Russia, India, China, South Africa, Egypt, Ethiopia, Iran, Indonesia, and the United Arab Emirates, as well as several other nations holding partner status to discuss economic and geopolitical issues;
- Brazilian President Luiz Inácio Lula da Silva delivered a speech urging deeper trade and financial integration among BRICS nations to counter escalating global protectionism. He described recent tariffs from the U.S as "tariff blackmail" used to influence countries' internal affairs and criticized "unjustified and illegal trade practices" affecting BRICS disproportionately;
- President Cyril Ramaphosa echoed the same sentiments that a protectionist environment and unilateral tariffs are detrimental to not only South Africa, but fellow BRICS countries as well and emphasised the need to act;
- Iranian President proposed that BRICS leads transformation initiatives in international financial institutions such as the Bretton Woods institutions to be more inclusive in reflecting global economic realities;
- Chinese President Xi Jinping strongly condemned unilateral trade wars and emphasised the importance of defending multilateralism and the global trading system, noting that some countries have launched trade and tariff wars, which have negatively impacted world economics and undermined international trade rules;
- The summit ended with no communique but looked into avenues to strengthen solidarity, coordination, and trade among BRICS nations.