



Legislative and Regulatory Report October 2025

Introduction

- October 2025 continued to build on a critical moment in South Africa's governance trajectory under the 7th Parliament. The country is navigating a complex interplay of legislative assertiveness, fiscal and regulatory reform, sectoral governance, and social policy interventions, all occurring against the backdrop of a changing parliamentary configuration.
- Comparing the previous Parliaments (1994-2024), where the African National Congress (ANC) held a comfortable majority, with the 7th Parliament (2024-2029), where the ANC's reduced majority has created a more competitive political environment, underscores both opportunities and risks in South Africa's governance trajectory.
- While the previous Parliaments were characterised by executive dominance, largely procedural oversight, and symbolic policymaking, the 7th Parliament exhibits assertive oversight, strategic legislative engagement, and contested policy negotiation, demonstrating how political shifts can recalibrate institutional power and accountability.

1. Parliamentary Oversight and Institutional Strengthening

- Parliamentary and judicial oversight are central to South Africa's constitutional democracy, ensuring that state institutions operate with accountability, transparency, and adherence to the rule of law.
- This month, these mechanisms were particularly visible through Parliament's *Ad Hoc* Committee investigating allegations of corruption and political interference within the South African Police Service (SAPS), alongside the Madlanga Commission of Inquiry, a judicial-led process examining similar claims.
- While both processes aim to reinforce accountability, they operate under distinct mandates: the *Ad Hoc* Committee functions within Parliament's oversight framework, with public engagement and reporting obligations, whereas the Madlanga Commission wields judicial investigatory powers, including evidence-gathering and leg.
- The transition to the 7th Parliament is not merely numerical; it represents a structural shift in political leverage and legislative power. During previous Parliaments, the ANC's comfortable majority allowed the executive to drive policy largely unhindered.
- Parliamentary committees often functioned as what some referred to as 'extensions of executive will' rather than independent oversight bodies, with limited capacity or incentive to challenge leadership decisions. Legislative debates were largely procedural, and opposition voices - while present - were often peripheralised in shaping substantive policy outcomes.
- In contrast, the 7th Parliament has introduced new dynamics of contestation and negotiation. Committees now serve as arenas for robust scrutiny, with opposition parties leveraging their votes to influence outcomes. Executive accountability is increasingly contested, and parliamentary outputs - ranging from the departmental Budgetary Review and Recommendation Reports (BRRRs) to sector-specific hearings - have gained both analytical depth and political significance.
- The shift underscores a critical thesis: political constraint can catalyse institutional effectiveness. Where majority dominance once facilitated procedural compliance without reform, a competitive legislative environment in the 7th Parliament has incentivised Parliament to reclaim its constitutional mandate as a checks-and-balances institution, shaping policy outcomes in ways that were previously improbable.
- As reflected in the October programme, oversight has become more proactive, strategic, and evidence-driven, reflecting a recalibration of power relations:
 - **Ad Hoc Committee on SAPS Corruption:** Hearings revealed entrenched political interference, including the disbandment of the Political Killings Task Team. The committee's assertiveness signals a willingness to confront historically protected dysfunction.
 - **SCOPA and RAF Oversight:** Investigations into board appointments, financial mismanagement, and unlawful interpretation of the RAF Act illustrate deepened fiscal accountability. The committee's findings now inform policy changes in procurement and internal controls.
 - **Presidential Engagement with NCOP:** President Cyril Ramaphosa's October appearance involved direct questioning on links to corruption accused, budgetary consolidation, service delivery, and energy resilience, reinforcing constitutional accountability.
 - **Select Committee Oversight:** Committees on education, creative industries, and international relations are now linking policy implementation to tangible outcomes, e.g., monitoring the Creative Industries Master Plan and facilitating safe repatriation of citizens abroad.
 - **Departmental Budgetary Review and Recommendation Reports (BRRRs):** Finance committees systematically link expenditure outcomes to strategic objectives, identifying inefficiencies and shaping sector-specific reform agendas. For example, BRRR analyses informed the drafting and tabling of the Water Services Amendment Bill.
- Oversight is no longer perfunctory; it actively shapes legislative and executive action. However, procedural disputes and executive resistance remain significant risks, requiring parliamentary persistence and coalition-building to achieve tangible reform.



2. Fiscal and Sectoral Governance

2.1 Water Services Reform



- The Water Services Amendment Bill, tabled this month, exemplifies the 7th Parliament's assertive legislative posture. It:
 - Clarifies municipal water authorities' roles to reduce ambiguity in service provision.
 - Introduces performance-based oversight and professional competency standards for service providers.
 - Only licensed, qualified providers may deliver water services, enhancing reliability and accountability.
- The strategic implication is that in municipalities with historically weak governance, whether it is Mopani in Limpopo or Msunduzi in KwaZulu-Natal, implementation challenges persist. Licensing and performance monitoring require capacity-building and fiscal support, highlighting the interplay between legislative intent and operational reality.

- The public response to these interventions has been mixed. The Economic Freedom Fighters (EFF) criticised the measures, arguing that withholding funds unfairly penalises residents and calling for stronger enforcement against large commercial defaulters. The EFF also cautioned against privatisation, emphasising water as a public good and warning that perceived privatisation could erode trust in government. Civil society and business stakeholders largely welcomed the emphasis on fiscal accountability, highlighting the importance of timely municipal payments to water boards for sustaining infrastructure, service continuity, and public health.
- The reform is indicative of a shift toward institutionalised performance-based governance, potentially transforming water service delivery if municipal compliance is ensured.

2.2 Energy Sector Reform

- The Eskom Load Limitation Framework introduces real-time consumption limits through smart meters and behavioural incentives, requiring both households and businesses to adjust routines. The FY 2024/25 R16 billion profit provides a fiscal foundation for operational reforms.
- That being said, critical risks include:
 - Public backlash or industrial pushback could undermine compliance, particularly in energy-intensive sectors like mining or manufacturing.
 - Enforcement depends on monitoring infrastructure and coordination between Eskom, municipal authorities, and regulatory bodies.



- A phased implementation approach with clear incentives is necessary to balance fiscal recovery with service delivery reliability.
- These reforms exemplify layered governance, where fiscal stability precedes regulatory enforcement.

3. Fiscal, Trade, and Data Governance

3.1 Medium-Term Budget Policy Statement (MTBPS) 2025



- With the MTBPS scheduled for 12 November, capacity-building with the Parliament's Budget Office (PBO) enhances MPs' analytical ability to interrogate fiscal allocations.
- Pre-release media lockups ensure transparent dissemination of budget projections and expenditure ceilings.
- However, technical gaps among MPs or procedural delays could dilute oversight impact. Political pressures may also limit aggressive questioning of contentious departmental allocations over the medium-term.
- That being said, the overall strategic implication is that strengthening fiscal oversight supports evidence-based governance, linking national budgeting to service delivery and reform priorities.

3.2 AfCFTA Tariff Alignment

- This reduces import duties on African goods to promote regional integration. Domestic industries must adapt through innovation and productivity enhancement, particularly in textiles, manufacturing, and agro-processing.
- Transitional pressures on domestic industries, however, may lead to job losses if adaptation is delayed. Therefore, non-tariff measures and capacity support are critical to prevent economic dislocation.
- Overall, aligning trade policy with regional integration requires complementary industrial and skills policies to safeguard employment and competitiveness.

3.3 Statistics Amendment Act

- The Act establishes a decennial census cycle and harmonises data systems. It also addresses prior undercounts (e.g., Census, 2022) that distorted fiscal allocations.
- Operational challenges, including population mobility and resourcing gaps, which may compromise data accuracy, remains a risk.
- Overall, reliable data underpins evidence-based municipal and district-level planning, critical for implementing the District Development Model (DDM) and spatially integrated economic interventions.

4. Social and Inclusive Governance

4.1 District Development Model and Township Economies

- The Chairperson of the Portfolio Committee on Trade, Industry and Competition, Mzwandile Masina (ANC), led a discussion in the National Assembly Plenary, titled *“Building the capacity of district and local municipalities to develop and support township and village economies and thereby address the spatial concentration of economic activity in the country.”* This highlights the DDM as a vehicle for inclusive economic growth, linking national, provincial, and municipal planning. Practical examples: Township industrial hubs in Gauteng and KwaZulu-Natal integrating skills programs, local supply chain development, and infrastructure upgrades.
- Risks related to limited municipal capacity, coordination gaps, and resource misalignment, but also political or bureaucratic resistance could slow implementation.
- Overall, DDM represents a holistic approach to spatial economic inclusion, contingent on aligned planning, technical support, and performance monitoring.



4.2 Gambling Regulation



- Mr. Makashule Gana (Rise Mzansi) led a discussion in the National Assembly Plenary, under the title *“The gambling crisis in South Africa, evident from recently published official figures, and the need for measures to better regulate the gambling industry to protect South Africans from gambling addiction.”* This emphasises the rising gambling addiction crisis, advocating for stricter licensing, monitoring, and responsible gambling programs.

- However, enforcement gaps, limited public awareness, and industry resistance may blunt impact.
- Effective regulation can mitigate social harm, improve consumer protection, and demonstrate Parliament’s capacity to link oversight with practical social outcomes.

4.3 Public Procurement Reform

- Leading the discussion under the title *“The urgent need to reform South Africa’s public procurement laws to tackle poverty, unemployment and economic exclusion”*, Dr. Mark Burke (Democratic Alliance) called for transparent, inclusive procurement policies with local content requirements.
- However, entrenched networks, opaque tender processes, and corruption risk undermining reform.
- That being said, reform can promote SMME participation, address unemployment, and enhance equitable economic inclusion, but requires robust monitoring and enforcement.



4.4 Visa Reciprocity

- In her discussion titled *“Imposing strict visa entry requirements on Western States that are equally imposed on South African citizens”*, Dr. Khanyisile Litchfield-Tshabalala (uMkhonto weSizwe Party) proposed reciprocal visa measures to strengthen national dignity and foreign policy leverage.
- While this is with good intentions, it has a potential for diplomatic friction and trade implications. Strategic implementation can reinforce negotiation leverage while maintaining constructive diplomatic channels.

4.5 Gender-Responsive Local Governance



- Portfolio Committees engaged with the Commission for Gender Equality to adopt inclusive local government policies. Inclusive local government policies are vital in because they ensure that governance structures reflect the diverse needs of communities, particularly those historically marginalised, such as women. By embedding gender and social inclusion in municipal planning and service delivery, local governments can promote equitable access to resources, enhance social cohesion, and strengthen democratic accountability at the community level.
- Risks remain when it comes to municipal compliance gaps, resource limitations, and weak enforcement which may impede results.
- Embedding gender inclusivity strengthens social cohesion, municipal accountability, and policy responsiveness.

5. Regulatory Coherence and Administrative Governance

- Legislative pipelines, including the Business Licensing Bill, National Water Amendment Bill, and sectoral regulations in tourism, land, and agriculture, reflect an effort at regulatory modernisation.
- However, fragmentation across agencies, inconsistent enforcement, and administrative capacity gaps pose risks to these efforts.
- Effective inter-agency coordination, monitoring, and enforcement are critical to translate legal reforms into measurable outcomes.
- Simplifying municipal licensing under the Business Licensing Bill directly supports DDM initiatives by fostering township-based entrepreneurship.

6. Strategic Risks and Critical Considerations

- **Political Gridlock:** Reduced majority creates the possibility of stalemates on contentious reforms (e.g., transformation, procurement, DDM funding, gambling regulation).
- **Implementation Gaps:** Legislative assertiveness must be paired with executive compliance; otherwise, reforms risk being symbolic.
- **Capacity Constraints:** Parliamentary and municipal technical capacity remains uneven, limiting effective oversight and operationalisation.
- **Public Resistance:** Sectoral reforms (Eskom load limits, water licensing) require public engagement and buy-in.
- **Regulatory Fragmentation:** Overlapping mandates in licensing, water, and local economic development require coordinated enforcement mechanisms.

7. Strategic Implications and Recommendations

- **Institutionalise Follow-Up Mechanisms:** Ensure committee recommendations and BRRR findings translate into enforceable policy.
- **Phased Reform Implementation:** Gradual rollout of sectoral reforms reduces public resistance and operational shocks.
- **Capacity-Building Across Levels:** Strengthen municipal, parliamentary, and regulatory technical competence.
- **Stakeholder Engagement:** Engage communities, private sector, and civil society to foster legitimacy and compliance.
- **Integrated Governance:** Coordinate across fiscal, sectoral, and social governance domains to maximise impact.
- **Political Negotiation Strategy:** Parties must balance assertive oversight with constructive compromise to avoid legislative paralysis.

8. Overall Strategic Implication

- October reflected a segment of a critical inflection point in South Africa's governance trajectory. The transition from the previous Parliaments to the 7th Parliament demonstrates how political recalibration can catalyse institutional renewal, enhance accountability, and link legislative activity to practical social and economic outcomes.
- Through assertive oversight, sectoral reform, fiscal scrutiny, and engagement with township economies, the 7th Parliament is reclaiming its constitutional mandate.
- However, the promise of reform is contingent upon effective implementation, intergovernmental coordination, and capacity strengthening. Political contestation, administrative bottlenecks, and societal resistance remain persistent risks. Strategic governance requires marrying political assertiveness with operational feasibility, ensuring that legislative outputs are not symbolic but transformative.
- South Africa's evolving parliamentary landscape thus exemplifies a dynamic tension between political constraint and institutional opportunity: a reduced majority, while limiting executive freedom, creates space for robust oversight, strategic negotiation, and inclusive policy-making, laying the groundwork for sustainable, accountable governance that is responsive to citizens' needs.

Annextures

Annexure A: Regulatory and Gazette Updates

- A wide range of administrative and regulatory notices covering land tenure, agricultural marketing, immigration, tourism, education, companies, and customs duties were published in the Government Gazettes (Nos. 53450–53505).

Key Highlights:

- **Restitution of Land Rights Act:** Provincial notices invited public comment on restoration claims in Mpumalanga, Eastern Cape, and Limpopo.
- **Upgrading of Land Tenure Rights Act:** Draft conversions of land rights in Gauteng (GoN 6719).
- **Marketing of Agricultural Products Act:** Proposed cotton lint levy for producer support.
- **Sugar Act:** Pest-control and quality management regulations to improve cane quality.
- **Tourism Act:** Nominations invited for the South African Tourism Board (GoN 53505).
- **Higher Education Act:** Proposed deregistration of Instill Education (Pty) Ltd for non-compliance (Higher Education Act (101/1997)).
- **Companies Act:** Deactivation of manual reinstatement filing channels for companies and CCs.
- **Immigration Act:** Extension of permits for Zimbabwean and Lesotho nationals.
- **Customs and Excise Act:** Technical amendments to Schedule 1, including AfCFTA tariff reclassifications.
- **National Treasury:** Pre-MTBPS media lockup protocols (GoN 53506).

Annexure B: Legislative and Regulatory Developments

Date	Bill	Focus / Objective	Stage
9 Oct 2025	Parliamentary & Provincial Medical Aid Scheme Amendment Bill (B25-2025)	Modernises the governance of legislator medical schemes.	Introduced in Parliament
Late Sept–Oct 2025	Constitution Twenty-Second Amendment Bill (B23-2025)	Adjusts provincial powers in intergovernmental coordination.	In committee review
Oct 2025	Business Licensing Bill, 2025	Simplifies business registration and harmonises licensing regimes.	Draft stage
Oct 2025	National Water Amendment Bill	Complements the Water Services Bill for integrated resource management.	Cabinet approval for tabling

Annexure C: Other Drafts and Amendments Under Discussion

- **National Water Amendment Bill** - aligns with the Water Services Bill to create a coherent water regulation framework.
- **Business Licensing Bill, 2025** - modernises business registration and compliance.
- **Draft Amendment to Electronic Communications Act (2005)** - revises Telkom's Universal Service Licence Obligations.

END