



WEEKLY POLITICAL AND ECONOMIC HIGHLIGHTS

Economic Highlights

Sanral R4 Billion N1 Upgrade

- On 07 November, the South African National Roads Agency Limited (SANRAL) announced a R4 billion investment to upgrade two key sections of the N1 national road in the Free State Province: from Scotland to Winburg and from Zandkraal to Scotland, enhancing the overall road network in the region;
- The upgrade will expand the existing roadway into a four-lane dual carriageway by adding two lanes in the northerly direction, including the lengthening of several river bridges and major culverts to accommodate the widened infrastructure;
- The project prioritises local job creation and support for small, medium, and micro enterprises (SMMEs), with subcontracting opportunities in areas such as fencing erection, litter and debris collection, culvert cleaning, and grading of temporary gravel deviations;
- The project aligns with SANRAL's broader efforts to incorporate over 1,200 km of Free State roads into its management, with a new regional office to facilitate closer oversight and community engagement;
- This upgrade addresses critical infrastructure gaps in the Free State, potentially reducing travel times and accident rates on a vital economic corridor linking Gauteng to the Western Cape, while injecting R4 billion to stimulate local economies through thousands of jobs created and opportunities for SMMEs.



Q3 Quarterly Labour Force Survey



- On 11 November, Statistics South Africa (StatsSA) released the Q3 Quarterly Labour Force Survey indicating that the official unemployment rate now stands at 31.9%, down from 33.2% in Q2;
- Employment increased by 248,000, bringing the total number of employed persons to 17.1 million;
- The potential labour force population totalled 4.5 million, due to discouraged jobseekers increasing by 36 000 to 3.5 million, other available jobseekers rising to 965 000, and an increase in unavailable by 64 000 to 83 000;
- The combined rate of unemployment and the potential labour force (LU3) was 42.4%, illustrating a much broader measure of labour under-utilisation beyond the official unemployment figure;
- Youth unemployment, ages 15–34, stayed critically high at over 45%, with women facing disproportionate impacts in informal and low-wage sectors. Provincial variations showed Western Cape and Gauteng with relatively lower rates, under 25%, while North-West and Mpumalanga exceeded 45% on expanded measures;
- Nearly one quarter of employed persons work in the informal sector, underscoring the size of precarious employment in the economy;
- While the drop in the official unemployment rate is welcome, the high level of overall labour under-utilisation (LU4) (44.9%) and reduced participation suggest many people remain marginalised from meaningful employment. This means policy focus must shift not just to job creation but to improving job quality and enabling transitions into formal work.

Medium-Term Budget Policy Statement 2025

- On 12 November, Finance Minister Enoch Godongwana delivered the Medium-Term Budget Policy Statement (MTBPS) stating that real GDP growth forecast was revised downward to 1.2% from the earlier estimate of 1.4%, with medium-term growth averaging 1.8% from 2026–2028;
- Global growth expected to slow to 3.2% in 2025 amid trade tensions, geopolitical risks, and supply chain disruptions; domestically, inflation has eased to 3% within the SARB target (3–6%), with the repo rate held at 7.00% after 75 basis points of cuts this year;
- Government debt is projected to stabilise in 2025/26 at around 77.9% of GDP. A primary budget surplus of about R68.5 billion is expected in 2025/26, growing to around R224 billion by 2028/29;





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- SARS collections exceeded expectations by R19.7 billion in 2025/26 so far, reaching R924 billion in the first half, boosted by fuel levies and efforts against illicit trade (e.g., tobacco, alcohol); potential withdrawal of R20 billion in proposed tax hikes for 2026;
- The Minister emphasised progress by Operation Vulindlela on infrastructure and service delivery reform, progress in AfCFTA implementation and G20 presidency to boost regional trade and debtor country support;
- The MTBPS emphasises state-capability improvements, reforms in energy and logistics, municipal governance, and strengthening infrastructure delivery mechanisms. Extra funding is earmarked at R15.8 billion for disaster relief, rebuilding Parliament, and support for the 2026 municipal elections;
- The MTBPS signals cautious optimism through fiscal breathing room from revenue outperformance and reform momentum, potentially lowering borrowing costs and attracting investment post-FATF grey list exit.

Government Updates

Government Secures Loan from the World Bank



- On 10 November, the South African government announced that it secured a US\$925 million (over R15.8 billion) loan from the World Bank as part of a broader R55 billion initiative;
- This funding supports the South Africa Metro Trading Services Program (MTSP), which is the first Program-for-Results (PforR) approved by the World Bank in South Africa;
- This is aimed at improving accountability, financial health, and service delivery in the country's eight metropolitan municipalities;
- Under the MTSP, metros would unlock performance-based incentive grants by achieving independently verified results in water supply and sanitation, electricity, and solid waste management;

- Only metros that demonstrate measurable progress in institutional reforms and operational performance will access the funding;
- What this demonstrates is that, as municipal service delivery declines, national government is now rewarding progress in metros through results-based funding rather than blanket allocations of grants, to incentivise accountability and good performance.

Mashatile Confirms DTIC Reviewing BBBEE

- On 11 November, while answering oral questions in the National Assembly, Deputy President Paul Mashatile announced that the Department of Trade Industry and Competition (DTIC) is currently reviewing Broad Based Black Economic Empowerment (BBBEE);
- This announcement comes weeks after the Democratic Alliance (DA) submitted their Economic Inclusion for All Bill to parliament, aimed at replacing BBBEE with a new framework focused on broader socio-economic inclusion;
- However, Mashatile argued that the DA's Economic Inclusion for All Bill and the scrapping of BBBEE entirely, remained unnecessary;
- According to Mashatile, this review by the DTIC is aimed at identifying gaps and weaknesses in the current BBBEE, with the goal of strengthening, rather than replacing the existing legislation;
- This announcement by the Deputy President reveals attempts by government to reach common ground with all members of the government of national unity on contentious issues.



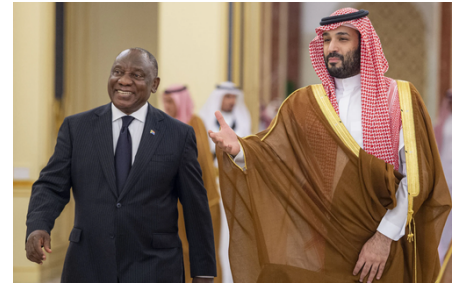
South Africa Strengthens Trade Ties with Saudi Arabia

- On 12 November 2025, the Department of Trade, Industry and Competition (DTIC) concluded its three-day Outward Selling Mission (OSM) in Riyadh, Saudi Arabia;
- The mission was aimed at connecting 12 South African companies, mainly in agro-processing and health sectors with potential buyers and importers;



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- The OSM also facilitated market access for value-added South African products, provided regulatory guidance, and included site visits and networking to help firms navigate the Saudi market;
- DTIC Director of Export Promotion Seema Sardha emphasised support for exporters to expand globally, driving job creation in priority sectors through new market opportunities;
- The OSM to Saudi Arabia further represents the South African government's continued efforts to not only increase South African companies' global footprint, but trade diversification and seeking more stable and predictable markets.



Cyril Ramaphosa Fires Dr Dion George



- On 12 November 2025, President Cyril Ramaphosa removed Dr Dion George as Minister of Forestry, Fisheries and the Environment, appointing Democratic Alliance's national spokesperson Willem Aucamp as his replacement;
- Dr Dion George's removal came just days after he delivered the opening statement on behalf of the South African delegation at COP30 in Brazil;
- This decision by the President follows a request made by DA leader, John Steenhuisen to have George replaced by Willem Aucamp;
- The DA is yet to provide a clear and explicit reason for the request to the President, only citing the need for capable individuals to advance reforms;

- Ramaphosa also appointed DA Member of Parliament Alexandra Abrahams as the second Deputy Minister of Trade, Industry and Competition (DTIC);
- The position had been vacant since June 2025, when Ramaphosa dismissed DA's Andrew Whitfield for an unauthorised trip to the United States.

Political Updates

ANC Grants Mchunu Request to Step Aside

- On 11 November 2025, African National Congress (ANC) Secretary-General Fikile Mbalula announced that the party's National Working Committee (NWC) has granted Police Minister Senzo Mchunu's request for special leave from his roles in the National Executive Committee (NEC) and NWC;
- This marks a reversal from the ANC's earlier rejection of Mchunu's offer to step aside, prompted by President Ramaphosa placing him on leave of absence and the establishment of the Madlanga Commission of Inquiry;
- Mchunu's voluntary request follows allegations by KwaZulu-Natal police commissioner Lt-Gen Nhlanhla Mkhwanazi that he was linked to a criminal syndicate infiltrating law enforcement and intelligence services;
- While the ANC's step-aside guidelines mandate withdrawal only for members formally charged with serious crimes, Mbalula praised Mchunu's "self-conscious" decision to step back voluntarily;
- Mchunu has already testified before Parliament's Ad Hoc Committee on the allegations and is scheduled to appear before the Madlanga Commission, where witnesses have already implicated him in wrongdoing.



MTBPS Receives Mixed Reactions



- On 12 November, Finance Minister Enoch Godongwana tabled the Medium-Term Budget Policy Statement (MTBPS) in the national assembly;
- The policy statement received a mixed reactions from opposition political parties represented in parliament;
- The Economic Freedom Fighters (EFF) rejected the policy statement for failing to appreciate the deep economic crisis that confronts the poor and working-class who cannot make ends meet due to rising cost of living;
- The EFF further rejected the decision by the Minister of Finance to agree to the new 3% inflation targeting framework, to which the EFF labelled as "Misguided";



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- uMkhonto WeSizwe Party's (MKP) raised concerns with austerity measures taking precedence over servicing the needs of the poor;
- However, the leader of Build One South Africa (BOSA) Mmusi Maimane was not as dismissive as the EFF and the MKP, in fact, he praised the minister of finance for a growth agenda focused on infrastructure while offering advice on what else to emphasise on;
- The Democratic Alliance (DA) praised the MTBPS as a major step in the right direction, throwing their weight particularly behind the new inflation-targeting regime;
- Whereas COSATU expressed concern that the MTBPS's proposed adjustments are not bold enough to lift the economy from the 1% growth rate at which it has been stuck for two decades;
- The polarised reactions highlight a core divide in South Africa's opposition landscape, where class-based redistribution versus market-driven expansion, highlight the GNU's challenge in balancing fiscal restraint with social demands amid sluggish growth and public frustration.

Legislative Highlights

NEDLAC Bill 2025

- On 7 November, the Department of Employment & Labour published the National Economic Development and Labour Council (NEDLAC) Bill, 2025 for public comments;
- The bill seeks to repeal the 1994 NEDLAC Act while ensuring NEDLAC's continued existence as a juristic person;
- Comprising the state, organised business, labour, and civil society, NEDLAC promotes economic growth, employment, social inclusion, and equity through consensus on socio-economic policies, including fiscal, industrial, labour market matters and trade;
- It must first review significant proposed labour policies and legislation before parliamentary introduction or ministerial issuance, then issue Labour Relations Act codes of good practice, and finally oversee implementation. This excludes technical changes or those managed elsewhere;
- The Bill updates NEDLAC to improve its representation, accountability, and influence on policy by outlining admission criteria, requiring democratic structures, legal compliance with the Labour Relations Act for labour and business, whereas for civil society, it would be the Non-Profit Organisations Act, and prescribed membership thresholds;
- In addition, civil society federations would need ministerial appointment on executive recommendation;
- Governance under the bill includes a binding constitution regulating admissions, removals, representation, chambers, meetings, and dispute resolution;
- The Bill reinforces NEDLAC's legal framework, aligning it with current laws, clarifying roles, and enhancing governance, which could boost its capacity to shape inclusive socio-economic policies.



Water Services Amendment Bill



- On 11 November, the Portfolio Committee on Water and Sanitation convened a virtual meeting where the Department of Water and Sanitation (DWS) delivered a comprehensive briefing on the Water Services Amendment Bill;
- The Bill aims to modernise the Water Services Act of 1997 by addressing contemporary challenges in water provision, including enhanced regulatory frameworks for municipalities, improved accountability for water boards, and mechanisms to combat non-revenue water losses and infrastructure decay amid South Africa's escalating water crisis;
- Key highlights from the DWS presentation included proposed amendments to empower the Minister to intervene in underperforming municipalities, introduce performance-based incentives for service providers, and integrate climate resilience measures into water services planning, all while aligning with the National Water and Sanitation Master Plan;
- Committee members raised probing questions on implementation timelines, funding implications, and equity concerns for rural and informal settlements, prompting DWS officials to elaborate on phased rollout strategies and partnerships with the National Treasury;
- Discussions emphasised broad support for the Bill's intent but highlighted the need for clearer provincial consultation processes;



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- The briefing concluded positively, with the Committee endorsing the draft for further refinement and recommending minor tweaks to safeguard vulnerable communities;
- As the next step, the Department was directed to submit a revised version incorporating stakeholder inputs within 30 days, ahead of public hearings scheduled for early 2026, marking a proactive stride toward legislative approval.

Africa Watch

DRC - Rwanda Economic Pact



- On 7 November, technical teams from the Democratic Republic of Congo (DRC) and Rwanda initialled the Regional Economic Integration Framework (REIF) in Washington, D.C, amid the fourth meeting of the Joint Oversight Committee, attended by representatives from the African Union Commission, Qatar, Republic of Togo and the United States;
- This framework which is part of the 2025 Washington Peace Agreement establishes key areas for enhancing economic cooperation and development between Kigali and Kinshasa, encompassing agribusiness, cross-border trade, energy, industrial development, infrastructure, investment, and mining, while illustrating the concrete advantages of peace and generating investment and growth opportunities that directly benefit the African Great Lakes region;
- However, its implementation hinges on the effective fulfilment of the Concept of Operations (CONOPS) and Operational Order (OPORD) as outlined in the 2025 Washington Peace Agreement, emphasising the essential connection between peace, stability, and economic advancement;
- Although the full text of the framework was initialled, its final signing remains pending amid persistent disputes and insufficient advancement on earlier security obligations, including the withdrawal of Rwandan forces from eastern DRC;
- On the sidelines of COP 30 in Brazil, DRC President Félix Antoine Tshisekedi stated that the White House would soon issue an official invitation for the signing of the Washington Peace Agreement;
- This development marks a crucial stride toward restoring regional stability and strengthening economic ties, though its ultimate success depends heavily on the political commitment of all parties to translate the agreement from conceptual plans into practical actions that mutually benefit both countries and improve the lives of their citizens.

OHCHR on Post-Election Turmoil in Tanzania

- On 11 November, the Office of the United Nations High Commissioner for Human Rights (OHCHR) issued a press release calling for thorough investigations into the killings and other grave violations that unfolded amid Tanzania's contentious 29 October elections, particularly as mounting reports indicate that security forces had allegedly transported victims' bodies to secret, undisclosed sites;
- This statement lends crucial validation to assertions from Tanzanian opposition leaders and human rights advocates regarding the staggering death toll among protesters and civilians during this year's elections, whereby hundreds were killed, alongside an indeterminate number wounded or arbitrarily detained;
- The OHCHR emphasised its inability to independently corroborate these figures due to the country's deteriorating security environment and a nationwide internet blackout imposed in the election's aftermath;
- It nevertheless demanded the immediate and unconditional release of all opposition figures detained before the polls, as well as any others held without due process since;
- It further insisted on full disclosure regarding the fate and locations of those who vanished, and the prompt return of deceased individuals' remains to their families for proper, dignified interments;
- These appeals came a few days after police in the East African nation apprehended a high-ranking official from the main opposition party, CHADEMA, while authorities publicly identified nine additional fugitives, predominantly CHADEMA affiliates linked to the post-election unrest, just one day after prosecutors levelled treason charges against 145 individuals;
- Such escalating tensions unfolded against the backdrop of Tanzania's 13th parliament convening on 12 November, where the predominantly Chama Cha Mapinduzi (CCM)-aligned members of parliament, loyal to incumbent President Samia Suluhu Hassan, were sworn in, setting the stage for her to assemble a new cabinet;
- Notably, the UN Human Rights Commission's timely intervention through this press release has played a pivotal role in amplifying international scrutiny on the regime's repressive tactics, pressuring authorities toward accountability, and potentially deterring further escalations of violence while opening diplomatic channels for de-escalation and negotiated resolutions.





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International Affairs

30th UN Climate Change Conference (COP30)



- On 10 November, the 30th UN Climate Change Conference (COP30) officially started in Belém, Brazil, running through to 21 November. President Lula symbolically transferred Brazil's capital to Belém during the event, emphasising Amazon protection, while UN Secretary-General António Guterres urged global cooperation amid fracturing consensus on climate priorities;
- Countries submitted updated Nationally Determined Contributions (NDCs) ahead of or during COP30, with the EU committing to 66.25–72.5% emissions cuts by 2035. The updated NDC synthesis Report indicates global greenhouse-gas emissions are projected to fall by approximately 12% by 2035;

- Brazil launched the “Multilevel Governance Solutions Acceleration Plan” and, with Germany, became co-chairs of the Coalition for High Ambition Multilevel Partnerships (CHAMP) which aims to embed local and regional government actors into climate action frameworks;
- Indigenous activists protested at the summit, clashing with security to demand forest protection, greater inclusion, and land rights;
- While the emerging outcomes and institutional changes reflect signs of progress, the magnitude of climate risk remains enormous, and the pace of change is still slower than what is required.

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