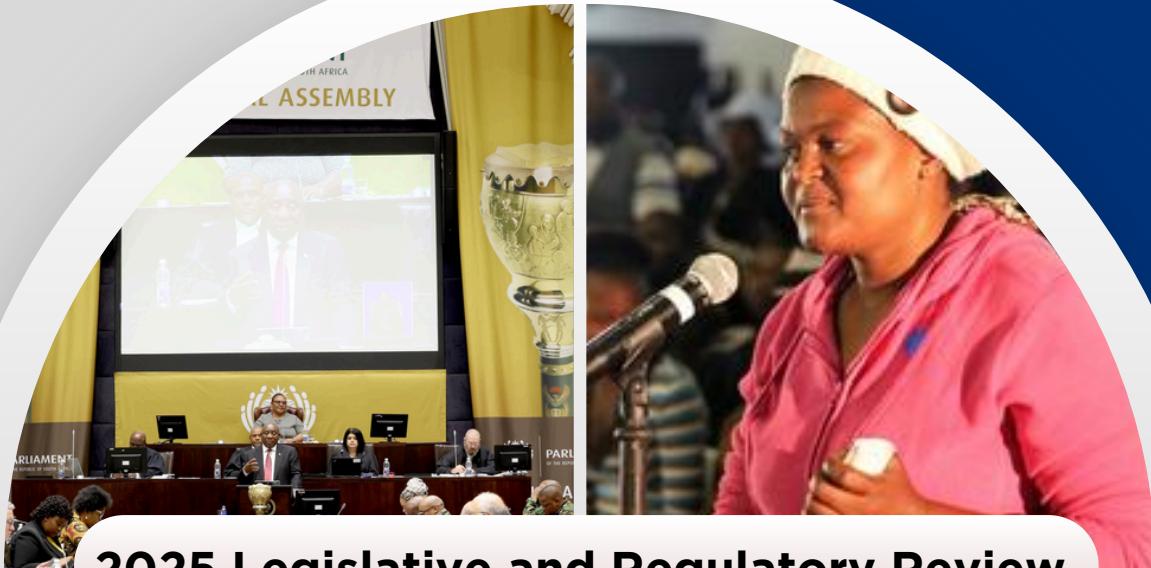




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2025 Legislative and Regulatory Review



2025



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Executive Summary

- South Africa's multiparty Parliament in 2025 continued to exercise oversight over an Executive run by the nascent Government of National Unity (GNU).
- The year began under fragmentation and coalition tension, as exemplified most notably by unprecedented delays and revisions in the 2025 Budget over a proposed value-added tax (VAT) increase. These early disruptions, carrying over from 2024's transitional instability, tested the Parliament's wherewithal and GNU's cohesion and exposed the challenges of multi-party governance in a historically majoritarian system.
- From mid-2025 onwards, Parliament demonstrated growing stabilisation. Oversight depth improved, legislative momentum accelerated on carried-over reforms, and fiscal compromise was achieved through the passage of the Appropriation Bill in July. Key developments included Standing Committee on Public Accounts' (SCOPA) intensive probe into the Road Accident Fund (RAF), high-profile police corruption investigations, and the establishment of the National Assembly's Committee on the Presidency - providing a historic mechanism for direct Executive scrutiny.
- Legislative activity reflected both dynamism and constraint. Parliament introduced 34 bills, including 11 Private Members' Bills (PMBs), though only 12 bills were passed, predominantly budget-related, underscoring procedural bottlenecks.
- Key legislative reforms spanned public health (Tobacco and Liquor Bills), employment (Employment Services Amendment Bill), cross-border law enforcement (International Co-operation in Criminal Matters Amendment Bill), online gambling regulation, and Indigenous governance (Traditional Khoi-San Leadership Bill).
- Judicial review remained a defining feature, with pending Constitutional Court cases on the National Health Insurance (NHI) Act, Employment Equity Amendment Act, Expropriation Act, and Copyright Amendment Bill likely to shape the 2026 legislative landscape.
- Enhanced committee oversight, plenary performance, and international engagement were hallmarks of 2025. Parliament conducted over 1,260 committee meetings, hosted workshops for stakeholder engagement, and participated actively in regional legislative forums, signalling a broader institutional adaptation to coalition dynamics.
- Despite persistent fiscal and procedural challenges, 2025 marked Parliament's transition from post-election fragmentation to cautious multi-party governance maturity, setting a cautiously optimistic tone for 2026.

Introduction

- Parliament maintained a packed legislative and oversight agenda in 2025 against the backdrop of fiscal pressures, rising public discontent, and GNU coalition dynamics.
- Progress was evident in public health reforms, regulation of foreign labour, cross-border crime, and judicial scrutiny of copyright law. High-profile oversight exposed deep governance failures in the South African Police Service (SAPS) and RAF, while Treasury advanced both routine tax updates and innovative revenue proposals, including a national online-gambling tax.
- The year began under the shadow of 2024's electoral upheaval. The 29 May 2024 national and provincial elections saw the ANC secure 40% of the vote, ending its 30-year outright majority. The ANC-led GNU, formalised on 14 June 2024, initially included 10 parties, with priorities centred on economic growth, social protection, and job creation.



- Early 2025 reflected the lingering effects of the nexus of multipartyism and coalition formation and transitional disruptions, most acutely in budget delays and committee reconstitution.
- By mid-year, Parliamentary operations stabilised, with committees regaining momentum, bills advancing through public participation, and oversight deepening -demonstrating gradual adaptation to multi-party governance.
- Parliament's legislative and oversight activity was complemented by quantitative performance metrics:
 - o Committee meetings: 1,260 across all portfolio committees
 - o National Assembly sittings: 63 plenaries + 58 mini-plenaries
 - o NCOP sittings: 62
 - o Ministerial attendance: 37% (slight decline from previous sessions, highlighting ongoing coordination challenges)

From 2024 to 2025: Continuity and Change

- 2024's electoral fragmentation fundamentally shaped 2025. The pre-election period saw rushed enactment of the NHI Act, retirement reforms, and contingency fiscal management.
- Post-election, the Seventh Parliament faced delays in committee formation and bill processing. Transitional fragmentation carried into early 2025, manifesting in budget disputes over VAT proposals and early procedural strains.



- By mid-2025, however, Parliament displayed incremental improvements:
 - SCOPA's RAF enquiry commenced in June, with hearings extending to November.
 - Police corruption investigations gained momentum through the Ad Hoc Committee on SAPS corruption.
 - Committee workshops, public hearings, and rule amendments reflected growing legislative coherence.
 - Fiscal compromises culminated in the Appropriation Bill being passed in July, underscoring coalition negotiation maturity.

Key Legislative Developments in 2025

Tobacco Products and Electronic Delivery Systems Control Bill

- The Portfolio Committee on Health concluded public hearings on the Tobacco Products and Electronic Delivery Systems Control Bill revealing mixed reactions from stakeholders. The bill seeks to strike a delicate balance between public health imperatives and the protection of economic livelihoods, particularly in the context of South Africa's substantial illicit cigarette trade. According to conservative estimates from the South African Revenue Service (SARS), losses from the illicit cigarette market have amounted to approximately R45 billion annually between 2020 and the present.
- The ultimate effectiveness of the bill will depend significantly on the capacity of enforcement agencies to implement its provisions.
- Equally critical is the ability of Parliament to work in unison, as cross-party collaboration is essential for ensuring that policy-making is scientific, evidence-based, and socially responsible. In addition to fostering consensus, Parliament must also seriously consider stakeholder inputs to ensure that the bill addresses the concerns of affected communities, industry players, and civil society organisations. A consensus-driven approach within the GNU in 2026 will be instrumental in legitimising the bill and in achieving the desired socio-economic impact.



- A balanced process that incorporates stakeholder perspectives will not only strengthen the credibility of the legislative process, but also enhance the predictability and compliance of industry actors, including avoiding court cases. By grounding deliberations in evidence and data while considering stakeholder contributions, Parliament can mitigate the economic impact of illicit trade while simultaneously advancing public health objectives. Ultimately, the bill's success will hinge on a combination of robust legislative oversight, effective enforcement, cooperative governance, and inclusive consultation, ensuring that it serves the broader interests of South African society.

EFF Liquor Amendment Bill

- The EFF Liquor Amendment Bill proposes prohibiting alcohol advertising as a measure to reduce societal harm. Its success, however, is contingent upon the implementation of complementary measures, such as funding for addiction treatment and providing economic support for affected industries. The bill highlights the classic tension between health policy objectives and economic sustainability, a balance that has long challenged South African policymakers.
- Significantly, the bill appears to be exerting pressure on the Department of Trade, Industry and Competition (DTIC) to accelerate its own Liquor Amendment Bill, which has been stalled since 2018. Unlike the DTIC's approach, which is broader in focus and scope, the EFF bill is narrow and seems to adopt a populist stance, raising concerns about policy being driven by political expediency rather than evidence.
- A sober and responsible legislative process would prioritise the DTIC bill, ensuring that alcohol regulation follows a scientific, evidence-based policy development approach. This would avoid yielding to the influence of global anti-alcohol lobbyists without careful consideration of local economic and social dynamics. Equally, industry perspectives must be incorporated, as affected businesses and workers are key stakeholders whose livelihoods depend on a balanced regulatory framework.
- Ultimately, for the EFF Liquor Amendment Bill or any related legislation to achieve meaningful societal impact, Parliament must work in unison, integrate stakeholder inputs, and ensure that decisions are guided by credible evidence rather than narrow political agendas. By doing so, policymakers can craft interventions that protect public health while maintaining economic resilience and social stability



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International Co-operation in Criminal Matters (ICC) Amendment Bill



- The bill strengthens South Africa's compliance with the Rome Statute, enhancing mechanisms for extradition, cross-border evidence exchange, and asset recovery. Implementation depends on the NPA's operational capacity and the political will to navigate sensitive international cases.

Employment Services Amendment Bill (ESAB)

- The bill institutionalises sector-specific quotas for foreign workers and strengthens labour broker regulation. While politically salient amid 33.2% national unemployment and 62.4% youth joblessness, its efficacy will depend on enforcement and capacity-building for the Department of Employment and Labour.



Remote Gambling Bill and National Online Gambling Tax



- The Remote Gambling Bill proposes a licensing framework, while Treasury's 20% online gambling tax seeks revenue capture without addressing player protection. The dual approach exposes policy fragmentation and the GNU's challenges in harmonising fiscal and regulatory goals.

According to the National Gambling Board of South Africa, gross gambling revenue across South Africa was R59.3 billion in the 2023/24 financial year, a 25.7% rise from the previous year.

Amid the rise in gambling and betting, there are increased calls for regulations due to the disastrous impacts that the addiction can have on communities.

Taxation Laws Amendment Bills (TLAB/TALAB)

- Bills aim to broaden the tax base and tighten enforcement but cannot resolve structural revenue deficits alone. Additional R20-30 billion from enforcement is insufficient against a >R100 billion annual deficit.



Division of Revenue Amendment Bill



- Tabled in November 2025, it adjusts provincial and municipal allocations mid-year. Persistent under-spending by provinces highlights systemic capacity gaps in public finance management.

Traditional Khoi-San Leadership Bill

- The Traditional Khoi-San Leadership Bill responds directly to the Constitutional Court judgment in *Constance Mogale and Others v Speaker of the National Assembly and Others* (2023), which underscored the need to recognise indigenous governance structures while ensuring that affected communities are meaningfully consulted and able to participate in decision-making. The bill aims to formalise the role of Khoi-San traditional authorities within South Africa's legal and governance framework, providing clarity on leadership recognition and customary governance practices.
- However, the May 2027 implementation deadline presents both logistical and political challenges. Historical patterns of top-down consultation in legislative processes raise concerns about the effectiveness of engagement with indigenous communities. Without genuine, inclusive participation, the bill risks producing outcomes that are misaligned, thus undermining its constitutional intent.
- For the bill to achieve its objectives, Parliament must facilitate structured, participatory, and culturally sensitive consultations, ensuring that policy development is not only compliant with the Mogale judgment but also reflects evidence-based approaches to indigenous governance. Aligning legislative ambition with practical implementation capacity and genuine community engagement will be essential to strengthen legitimacy and socio-political impact.



Judicial Challenges

Bill	Court	Issue	Expected Outcome
NHI Act	Constitutional Court	Lack of provincial/public participation; centralisation concerns	2026 ruling expected to reshape health reform
Employment Equity Amendment Act	North Gauteng High Court	Section 15A challenges; employer rights vs transformation	Early 2026 judgment to influence workplace equity
Expropriation Act	Western Cape High Court	Property rights, procedural compliance	Early 2026 decision could affect land reform and investor confidence
Copyright Amendment Bill	Constitutional Court	Balancing creator rights with affordability and access	2026 ruling to define IP regime and creative economy trajectory



A Judicial review serves as a corrective mechanism, enforcing procedural rigor, mediating coalition tensions, and shaping the legislative landscape for 2026.

Enhancing Oversight

Ad Hoc Committee on SAPS Corruption

Launched June, hearings from October-November, highlighting ballooning liabilities, procurement failures, and mismanagement. Final report expected early 2026, guiding structural reform and potential prosecutions

Committee on the Presidency

Established December 2025 via rule amendments, providing the NA with dedicated oversight of the executive. Operations begin early 2026.

Additional Innovations

- Joint Standing Committee on Intelligence strengthened inter-agency oversight.
- Public workshops enhanced stakeholder participation, especially in labour, public health, and Indigenous governance policy areas.
- Regional and international engagement, including SADC Parliamentary Forum participation, expanded South Africa's legislative diplomacy footprint.

Legislative Throughput and Efficiency

Metric	6th Parliament (2019-2024)	7th Parliament (2025)
Bills Introduced	162	34
Bills Passed	124	12
PMBs Introduced	6-7 annually	11 (50% rise)
Committee Meetings	~1,150 annually	1,260
Observations	Moderate throughput; end-term inefficiencies	Early 2025 procedural strains; mid-year recovery; passage rate remains constrained by coalition dynamics

Despite procedural innovation and oversight intensity, the GNU's coalition dynamics continue to influence efficiency, particularly the passage of non-budget legislation and PMBs.

Assessing Parliament's 2025 Legacy

- 2025 was a year of gritty transition. Early fragmentation nearly derailed legislative and fiscal processes, while judicial challenges highlighted procedural shortcomings and ideological tension.
- Yet mid- and late-year developments revealed incremental improvements: oversight deepened, committee innovation and plenary activity strengthened, and budget compromises demonstrated coalition maturity.
- Parliament's mixed legacy underscores the delicate balance in a multi-party democracy: accountability, fiscal prudence, and inclusive governance advanced in tandem with persistent inefficiencies and judicial mediation.
- 2025 established a foundation for cautious optimism, showing that coalition governance, while complex, can yield tangible progress when political actors adapt to procedural rigor and inter-party compromise.



2026 Legislative and Regulatory Outlook

- **Local Government Elections:** Parliamentary activity will intensify, particularly regarding labour, health, and Indigenous governance bills.
- **Public Health Reforms:** Tobacco and Liquor legislation will likely maintain momentum as the push for public health prioritisation intensifies.
- **Oversight Follow-up:** Recommendations from SCOPA RAF enquiry and SAPS corruption Ad Hoc Committee will drive structural reforms, budget allocations, and potential prosecutions.
- **Judicial Outcomes:** Expected rulings on NHI Act, Employment Equity, Expropriation, and Copyright bills will define policy certainty and set precedents for coalition compromise.
- **Coalition Maturity:** Effective management of legislative and oversight priorities will hinge on GNU cohesion, administrative capacity, and continued innovation in committee and plenary operations.
- If leveraged successfully, 2026 offers the potential to consolidate multi-party governance, strengthen accountability, and deliver meaningful reforms; failure risks further public disillusionment and judicial bottlenecks.

END