



**FRONTLINE AFRICA**  
— **ADVISORY** —

# **LEGISLATIVE AND REGULATORY FORECAST 2026**

# Summary

- South Africa enters 2026 under a Government of National Unity (GNU) that is almost 2 years old. Despite early predictions of instability, the coalition has weathered fiscal pressures, managed budget approval, and established dispute-resolution mechanisms such as the Clearing House Mechanism (CHM), though frictions, especially over foreign policy, remain.
- Legislative output in 2025 was modest: only 12 of 34 bills introduced were enacted, largely fiscal measures, reflecting a continued prioritisation of budgetary stability over structural reform. Election-year pressures, coalition dynamics, and judicial oversight will shape 2026 as a year of incrementalism, compromise, and strategic legislative tests rather than radical transformation.
- Key forward-looking considerations for the year include:
  - **Local Government Elections (LGE):** expected between November 2026 and January 2027, exerting intense pressure on parties to demonstrate delivery.
  - **Coalition Management:** the CHM's effectiveness in mitigating deadlocks will be a litmus test for GNU maturity.
  - **Judicial Oversight:** multiple Constitutional Court challenges to flagship laws (the National Health Insurance - NHI, Employment Equity, Expropriation) will influence both legislative strategy and public perception.

## 2025 Context: Setting the Stage for 2026

### Legislative Trends:



- 34 bills introduced, including 11 Private Members' Bills (PMBs), reflecting greater opposition influence.
- Only 12 bills enacted, mainly fiscal (Appropriation Bill, Division of Revenue), demonstrating prioritisation of budget stability over structural reform.
- Coalition governance adaptations emerged: more structured committee workshops, public hearings, and amendment processes.

### Coalition Dynamics:

- Ideological fault lines persist on Broad-Based Black Economic Empowerment (B-BBEE), NHI, land expropriation, employment equity, and public health regulation versus informal-sector livelihoods.
- Election-year dynamics are likely to amplify transactional politics, with smaller parties leveraging bargaining power while the leading GNU partners, the African National Congress (ANC) and the Democratic Alliance (DA) attempt to maintain coalition cohesion.



### Implication for 2026:

- Expect incremental, pragmatic legislation rather than sweeping reform.
- Legislative success will be measured less by quantity of bills passed than by the coalition's ability to resolve disputes, implement oversight recommendations, and demonstrate tangible outcomes on service delivery, unemployment, and governance.

## Key Bills: Carry-Overs and Forward Forecasts

Bill	2025 Status	2026 Outlook	Strategic Implications
<b>Tobacco Products &amp; Electronic Delivery Systems Control</b>	Committee deliberation; stakeholder objections ongoing	The Portfolio Committee on Health is expected to conclude its potion and send it to the National Assembly for approval. Some amendments are likley and more focus on illicit trade is expected.	Critical public health-economy trade-off; risks socioeconomic fallout and illicit markets if poorly calibrated
<b>EFF Liquor Amendment (PMB)</b>	Referred to Portfolio Committee on Trade, Industry and Competition	Mid-year public hearings; potential hybrid with DTIC bill	Balances health priorities vs. economic consequences; unlikely to pass fully in 2026

<b>International Co-operation in Criminal Matters Amendment Bill</b>	Early parliamentary stages	Likely passage mid-to-late 2026	Strengthens anti-corruption and global cooperation framework; low controversy ensures smoother enactment
<b>Remote Gambling (DA PMB)</b>	Pre-tabling consultation	Public hearings in H1 2026; potential passage possible in 2027	Revenue-generating, aligns with digital economy; ethical and provincial tensions require careful oversight
<b>Employment Services Amendment Bill (ESAB)</b>	Public participation ongoing	Deliberations and hearings H1-H2; potential passage in 2027	Politically high-stakes: opportunity to demonstrate action on unemployment and labour migration; mismanagement risks economic and social backlash
<b>DA Economic Inclusion for All Bill (PMB)</b>	Introduced Oct 2025	Committee deliberations H1-H2; potential hybrid B-BBEE amendments	Tests coalition tolerance for opposition-driven reforms; could foster consensus if effectively negotiated
<b>Appropriations &amp; Budget Votes</b>	Passed 2025 after delays	2026: less risk of gridlock; scrutiny expected over social vs. fiscal priorities	Key indicator of coalition effectiveness and fiscal credibility
<b>Copyright Amendment Bill &amp; Performers' Protection Amendment Bill</b>	Constitutional Court argument May 2025; judgment pending	Mid-2026 ruling expected	Modernises IP framework; outcome could set precedent for digital rights and fair use
<b>NHI Act</b>	Multiple Constitutional Court challenges	Hearings H1 2026; potential partial invalidations	Balances universal coverage against private-sector sustainability; coalition consensus via clearing house may be required
<b>Employment Equity Amendment Act</b>	DA constitutional challenge ongoing	Judgment mid-2026; possible refinements to sectoral targets	Key stress test on transformation vs. meritocracy; inclusive negotiations crucial
<b>Expropriation Act</b>	Ongoing court review; Sections 19(2)-(4) contested	Mid-2026 ruling or parliamentary curative amendments	Land reform test; requires careful coalition and stakeholder management to mitigate economic and electoral risks

## Parliamentary Oversight in 2026

- **Ad Hoc Committee on Policing Corruption:** Concluding Feb 2026; recommendations, if faithfully implemented, may strengthen anti-corruption frameworks within SAPS.
- **Road Accident Fund Oversight Enquiry (SCOPA):** Final report expected Feb–Mar 2026; likely to propose procurement and accounting reforms.
- **Oversight Committee on the Presidency:** New quarterly committee enhances executive scrutiny; performance will influence public perception of GNU accountability.
- **Implications:** Oversight success is critical to restoring institutional credibility, particularly in an election year. Delays or politicisation could reinforce public scepticism.

## Coalition Dynamics and Legislative Outlook

- The GNU is expected to demonstrate stronger alignment on Cabinet-approved, low-controversy bills (such as the Gas Bill, Natural Scientific Professions Bill).
- High-stakes, transformative legislation will continue to test coalition cohesion, with the clearing house mechanism pivotal in averting gridlock.
- Election-year pressures will exert pressure on political parties to be seen to be prioritising service delivery outcomes, particularly on unemployment, labour migration, health, and anti-corruption initiatives.
- Judicial review of landmark laws will force strategic compromise; protracted litigation risks undermining investor confidence and public trust.

## Strategic Takeaways for 2026



- **Incrementalism Over Radicalism:** Expect gradual, negotiated reform rather than sweeping legislative change.
- **Coalition Maturity Test:** CHM performance on Appropriations and contested bills will signal whether the GNU can manage ideological divergence effectively.
- **Electoral Sensitivity:** Bills addressing unemployment, social equity, and governance will carry heightened political stakes; missteps could shift voter sentiment.

- **Judicial Influence:** Constitutional Court rulings on NHI, Employment Equity, and Expropriation Acts will shape legislative feasibility and coalition strategy.
- **Oversight as Confidence-Building:** Timely and credible conclusions to high-profile enquiries can restore public trust, offsetting election-year cynicism.

## Our Overall Assessment:

- This year will be less about transformative legislation and more about demonstrating the GNU's ability to govern effectively under coalition constraints. Key performance indicators include successful budget passage, CHM efficacy, oversight delivery, and pragmatic resolution of contested laws. Positive outcomes will strengthen the GNU heading into local elections; failure may expose fragility, energise opposition parties, and complicate the path to the 2029 national polls.

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