



WEEKLY POLITICAL & ECONOMIC HIGHLIGHTS

30 OCTOBER 2026

■ LOCAL GOVERNMENT ELECTIONS WATCH



- On 25 October, the uMkhonto weSizwe Party (MKP) campaigned in uMlazi, emphasising youth employment through entrepreneurship and investment, alongside a planned youth mobilisation programme;
- On 25 October, Cyril Ramaphosa led the ANC's Soweto campaign, engaging residents on water shortages, unemployment and crime;
- On 25 October, the Democratic Alliance (DA), led by Federal Leader Geordin Hill-Lewis, held its final KwaZulu-Natal (KZN) election rally in eThekweni, where he claimed that the party was within a few percentage points of overtaking the African National Congress (ANC) to become South Africa's largest party nationally, while leading in five major metropolitan municipalities;

- On 28 October, ANC President Cyril Ramaphosa addressed supporters in Ezimbokodweni, KZN, urging citizens to vote for the party while reiterating its manifesto commitments to stimulating local economies, creating jobs, reducing bureaucratic red tape for small businesses, revitalising Durban's port and tourism sector, and renewing eThekweni;
- On 25 October, the South African Communist Party (SACP) held its 2026-2027 Red October Campaign Victory Rally in Bushbuckridge, Mpumalanga where General Secretary Solly Mapaila delivered the main address, alongside messages of support from Congress of South African Trade Unions (COSATU) President Mike Shingange, and the Congress of Traditional Leaders of South Africa (Contralesa), among others.
- The final campaign phase reflects a contest shaped by three intersecting dynamics: the ANC's efforts to defend its support through service-delivery and economic-development commitments; the DA's attempt to convert metropolitan strength into broader national gains; and the MKP's mobilisation of disaffected voters, particularly in KwaZulu-Natal, despite internal organisational challenges. The SACP's rally also demonstrates the continued political significance of alliance structures. The campaigns of the EFF, IFP, ActionSA and other parties remain relevant to the fragmented electoral landscape, particularly in determining the balance of power in closely contested municipalities and the coalition negotiations likely to follow the vote.

■ ECONOMIC UPDATES

KZN Sugar Industry Colloquium

- On 23 October, KwaZulu-Natal MEC for Economic Development Musa Zondi convened the inaugural Sugar Industry Colloquium, in partnership with the South African Sugar Association and Trade & Investment KwaZulu-Natal;
- The engagement brought together government, growers, millers and industry stakeholders to address cheap sugar imports, industry competitiveness, investment and opportunities to diversify the sugarcane value chain;
- The discussions come amid pressure on domestic producers from import competition, declining sugar demand and financial uncertainty surrounding Tongaat Hulett, which supports thousands of growers;
- The engagement also aligns with the second phase of South Africa's Sugar Value Chain Master Plan, adopted in April, which prioritises long-term competitiveness and diversification into products such as bioethanol, sustainable aviation fuel and electricity generation;
- Although no binding policy decisions were announced, the colloquium reinforces government's commitment to protecting domestic production and safeguarding employment in sugar-producing communities;
- Stronger efforts to protect domestic sugar production could increase pressure to source locally, potentially raising input costs and affecting regional supply chains. The challenge will be protecting South African growers without simply shifting higher costs onto downstream businesses or undermining regional trade.



Stats SA Releases Revised GDP Estimates

- On 29 October, Statistics South Africa (Stats SA) released revised gross domestic product (GDP) estimates, increasing the measured value of South Africa's economy in 2025 by 5.3%, from R7.64 trillion to R8.04 trillion;



- Revising GDP estimates involves updating previously published figures using more complete data and improved measurement methods to provide a more accurate picture of economic activity;
- The exercise changed the base year from 2015 to 2022. For 2022, the estimated economy increased by R324 billion, with finance contributing R127 billion to the revision, followed by trade and mining at R61 billion each;
- The updated estimates also improve coverage of previously undermeasured economic activities, including illegal mining, e-hailing and illegal gambling;

- The larger GDP estimate could improve South Africa's reported debt-to-GDP ratio without reducing the actual debt owed or government's debt-servicing obligations;
- For businesses, the revised figures provide a more accurate basis for assessing market size, sector performance and investment opportunities. However, the upward revision does not represent new economic growth or stronger consumer purchasing power. Business prospects therefore remain dependent on actual improvements in household incomes, investment and demand.

GOVERNMENT UPDATES

Mashatile Reviews eThekweni's Recovery Progress

- On 23 October, Deputy President Paul Mashatile met with the Presidential eThekweni Working Group in Durban to assess progress, outstanding challenges and interventions for the next phase of the city's recovery programme;
- Established in April 2024 following engagements with the Durban Chamber of Commerce and Industry, the group coordinates government and business efforts to address water interruptions, ageing infrastructure, crime, declining tourism and port inefficiencies;
- The latest progress report highlighted improved municipal financial stability and advances in investment projects valued at more than R32 billion;
- Separately, the municipality reported a reduction in water losses from 58% to 55%, although losses remain substantial;
- The municipality has also advanced public-private infrastructure partnerships, identifying 21 projects for development and investment, alongside efforts to improve public transport and industrial infrastructure;
- Outstanding priorities include securing funding for the uMlazi Canal upgrade to protect industrial infrastructure against flooding, accelerating rail recovery and further reducing water losses;
- Stakeholder accountability sessions are also planned to report on implementation progress;
- Improved water reliability, transport infrastructure and flood protection could reduce operational disruptions and strengthen Durban's attractiveness for manufacturing, logistics and investment. However, persistently high-water losses and funding gaps for critical infrastructure remain obstacles, making the delivery of measurable service improvements essential to restoring business confidence and unlocking further investment.



R2 Billion Rural Development Programme Launched

- On 26 October, Minister of Land Reform and Rural Development Mzwanele Nyhontso launched the R2 billion Integrated Land Reform and Rural Development Support Programme in Nywarha Village, Eastern Cape;



- The programme combines funding, technical assistance, infrastructure, skills development and market access to help land reform beneficiaries establish commercially sustainable enterprises;
- Of the programme's R2 billion allocation, R1.2 billion has been allocated for 2026/27 across all nine provinces, while the department has not specified when or how the remaining R800 million will be allocated;
- Support extends beyond agriculture to agro-processing, community tourism and manufacturing, including investment in irrigation, equipment, storage facilities and access roads;
- Nyhontso also highlighted an existing R500 million commitment through the Land Bank's blended-finance scheme, which combines grants and loans, while the Development Bank of Southern Africa will provide transaction advisory services;

- Applications submitted under the programme's September call are being assessed. However, the Land Bank has confirmed that its separate blended-finance scheme remains closed to new applicants due to insufficient funding, highlighting broader financing constraints facing emerging farmers;
- The programme could create opportunities for agricultural suppliers, equipment providers, logistics companies and manufacturers, while expanding local sourcing options. However, its commercial impact will depend on timely funding, reliable infrastructure and partnerships with buyers that enable emerging producers to compete and secure sustained demand.

NUMSA Leadership Crisis Deepens as Competing Structures Contest Control

- On 25 October 2026, NUMSA's Central Committee resolved to strip General-Secretary Irvin Jim, President Andrew Chirwa and other national office bearers of their delegated powers, establishing a task coordinating team to oversee the union's operations. It accused the national leadership of failing to fulfil its responsibilities by cancelling and missing scheduled meetings.
- The National Executive Committee (NEC) rejected the decision, declaring the Central Committee gathering and its resolutions invalid. It subsequently moved to discipline regional leaders and staff accused of convening an unauthorised meeting and attempting to undermine the elected leadership.
- On 28 October, Jim announced the suspension of several regional office bearers and worker representatives from the Eastern Cape, Mpumalanga and Sedibeng, citing allegations of gross misconduct and ill-discipline. The NEC also nullified decisions and appointments arising from the disputed gathering, deepening the contest over legitimate authority within the union.
- The dispute reflects wider divisions over leadership accountability, constitutional procedures and the management of the union, including disagreements involving the NUMSA Investment Company. With the elective congress scheduled for 30 November to 4 December 2026, uncertainty remains over the leadership transition and the legitimacy of decisions taken ahead of it.
- Business implications: Prolonged factional conflict could create uncertainty around NUMSA's representation and decision-making, complicating engagement on wage negotiations, collective bargaining and industrial relations, particularly in the metal, engineering and automotive sectors. The congress and any related legal challenges will be important indicators of whether the dispute can be resolved through the union's internal processes.



■ LEGISLATIVE/REGULATORY UPDATES

ICASA Proposes Stricter SIM Verification Requirements

- On 28 October 2026, the Independent Communications Authority of South Africa (ICASA) published amendments to the Numbering Plan Regulations, under the Electronic Communications Act 36 of 2005;



- The amendments build on ICASA's 2023 introduction of subscriber identity-verification requirements, which were subsequently suspended pending further implementation arrangements, and aim to strengthen know-your-customer (KYC) controls, address the exploitation of mobile-number allocation by criminal networks, protect consumers and improve the efficient use of numbering resources;
- The proposed amendments require licensees to verify subscribers' identities biometrically against Department of Home Affairs records when activating or reactivating mobile numbers, extend verification to existing subscribers within two years of commencement, and limit individuals to five mobile numbers per subscriber per network – business entities are exempt from the biometric requirements;
- Additional requirements include verifying identities before approving SIM swaps, retaining specified identification and verification records, restricting the use of biometric data to identity verification, and generally deleting subscriber records within 30 days of number deactivation, subject to specified legal, contractual or consent-based exceptions;
- The regulations provide for fines of R2 million to R4 million per contravention for specified breaches, R1 million for other listed contraventions and R50,000 for further specified breaches;
- The biometric verification, subscriber-record and related requirements are scheduled to commence 12 months after publication, allowing operators time to update systems and verify existing customers over the subsequent transitional period;
- For telecommunications operators, the amendments create implementation costs across customer onboarding, biometric verification, SIM-swap controls, data retention and deletion, and existing-subscriber verification, alongside potential regulatory penalties and customer-service disruption if systems fail;
- Operators should assess Home Affairs integration, legacy prepaid-customer verification and Protection of Personal Information Act (POPIA) compliance, while the 30-working-day consultation period provides an opportunity to raise operational and implementation concerns with ICASA.

SADC Advances El Niño Response Plans

- On 23 October, the Southern African Development Community (SADC) concluded a four-day workshop in Johannesburg focused on strengthening regional preparedness for the anticipated effects of El Niño during the 2026/27 rainfall season;



- SADC's seasonal forecast indicates an increased likelihood of below-normal rainfall across much of Southern Africa, including South Africa, Botswana, Eswatini and Zimbabwe, raising concerns about agricultural production and water availability;
- Member states and regional partners validated a regional early-action framework for 2026–2030, a strategy for positioning emergency supplies and a contingency plan for the coming season;
- The workshop resolutions are scheduled for ministerial consideration in November;
- Funding remains the main challenge, with most planned early interventions still unfunded. Participants called for financing to be secured in advance and clear conditions for activating emergency assistance;
- The discussions drew on the 2023/24 El Niño crisis, when only 17% of a US\$6.5 billion regional appeal was mobilised, limiting the effectiveness of responses despite accurate forecasts;
- Below-normal rainfall combined with insufficient preparedness funding could disrupt agricultural supply chains, increase food and production costs, and weaken household purchasing power. Agricultural producers, manufacturers and retailers may therefore need to diversify suppliers and strengthen water-contingency arrangements rather than rely on timely government interventions.

Botswana Secures US\$503.75 Million AfDB Loan

- On 23 October, the African Development Bank (AfDB) approved a US\$503.75 million loan to support Botswana's economic recovery, ease energy-cost pressures and promote private investment and job creation;
- The financing supports the Economic Competitiveness and Transformation Support Programme, amid a prolonged diamond-market downturn that contributed to economic contractions of 2.8% in 2024 and 0.7% in 2025;
- The programme supports measures to ease living costs, including temporary fuel-levy relief and additional social assistance for approximately 279,000 vulnerable people, alongside reforms to strengthen public finances;
- Planned reforms include competitive renewable-energy auctions for private developers, expanded electricity access and electronic public procurement aimed at improving government spending efficiency;
- By 2027/28, the programme aims to support 3,292 active micro, small and medium-sized enterprises and create 3,935 direct jobs, with particular emphasis on women and young people;
- The financing could ease pressure on consumer demand while creating opportunities in renewable energy, infrastructure and government procurement.



INTERNATIONAL AFFAIRS UPDATES

Third Russia–Africa Summit

- On 28–29 October, the Third Russia–Africa Summit took place in Moscow, bringing together delegations from 48 African countries to strengthen cooperation on trade, investment, energy, food security, infrastructure and technology;



- The summit adopted a final declaration, a Russia–Africa Partnership Forum Action Plan for 2027–2029 and a declaration on cooperation in the civilian use of artificial intelligence;
- On 28 October, the African Union Commission and Russia signed a separate 2027–2029 action plan covering 19 areas, including agriculture, energy, transport, trade, investment and financial cooperation.
- The action plan also provides for joint research, cybersecurity cooperation and early-warning systems for security, health and natural disasters;
- The Southern African Development Community (SADC) and Russia signed a cooperation action plan covering industrialisation, mining, agriculture, energy and transport, with emphasis on technical assistance, skills development and institutional partnerships;
- Egyptian President Abdel Fattah El-Sisi called for cooperation that enables African economies to move beyond exporting raw materials towards manufacturing and processing, highlighting transport corridors, electricity connections, agricultural development and digital technology;
- For businesses, the agreements could create opportunities in agricultural inputs, energy, infrastructure and local manufacturing, while expanding access to technology and investment partners. However, the frameworks do not establish specific project funding or procurement commitments, thus commercial benefits will depend on securing investment and establishing reliable supply arrangements.

Gas Exporters Adopt Moscow Declaration

- On 27 October 2026, the Gas Exporting Countries Forum (GECF) adopted the Moscow Declaration at its eighth Summit of Heads of State and Government in Moscow, establishing a shared position on gas-market stability, supply security, investment and international cooperation amid heightened global energy volatility;
- The summit brought together major gas-producing states relevant to international energy markets, including Qatar, Iran, Algeria, Nigeria, Equatorial Guinea and Libya, alongside observer states Mozambique, Angola and Azerbaijan, with South Africa represented by Director-General in the Presidency Phindile Baleni;
- The declaration expressed concern that geopolitical developments, particularly the conflict and escalating tensions in the Middle East, were disrupting gas supplies and established logistics routes, increasing price volatility and investment risks, as well as creating uncertainty over global supply security;
- Participating states committed to strengthening cooperation on supply-chain continuity, infrastructure protection and crisis response, while encouraging diversified transport routes, regional gas infrastructure, long-term contracts and coordinated consultations to improve supply reliability and price predictability;
- The declaration signals a more coordinated approach among participating gas exporters to managing external shocks, although its effectiveness will depend on implementation, cooperation between producers and consumers, and the ability to maintain reliable supplies amid geopolitical tensions and competing national interests;
- Greater coordination among major gas exporters could support energy-security planning and reduce exposure to international supply disruptions over time;
- For business however, the declaration does not guarantee lower prices or additional supplies, making infrastructure investment, procurement arrangements and diversification essential to managing energy costs and supply risks.



INTERNATIONAL ELECTIONS WATCH

- **United States Mid-term Elections:** On 3 November, United States voters are due to elect all 435 members of the House of Representatives and 35 senators, with the midterm elections expected to determine President Donald Trump's legislative room for manoeuvre during the remainder of his term and influence US trade, foreign policy and relations;



- Meanwhile, on 28 October, a federal judge rejected the Trump administration's bid to require California election officials to separate out mail ballots received from roughly 20,000 people it claims are not U.S. citizens.
- **Israel Parliamentary Elections:** There was no outright winner in Israel's 27 October 2026 parliamentary election. Prime Minister Benjamin Netanyahu's Likud party emerged as the largest party, with 27 of the Knesset's 120 seats, but his right-religious bloc secured only 53 seats, short of the 61 needed for a majority.
- The opposition bloc led by Gadi Eisenkot secured 48 seats, while Arab-led parties won a combined 19 seats, giving them potential leverage in coalition negotiations. Netanyahu remains prime minister while the parties seek to form a governing coalition.
- In other words, while the Likud party won the most seats, no bloc won a parliamentary majority.

- **Brazil's General Elections:** On 25 October, Brazilian President Luiz Inácio Lula da Silva won national re-election with 51.79% of valid votes against Senator Flávio Bolsonaro's 48.21%, securing a historic fourth term, while Bolsonaro refused to concede and threatened to challenge the results.

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