FRONTLINE AFRICA
ADVISORY



Legislative & Regulatory Report

October 2026

EXECUTIVE ASSESSMENT

- October was a significant month for South African regulation, although much of the activity concerned proposals and policy direction rather than legislation already in force.
- Four developments stand out:
  1. **Public-sector financial accountability is being tightened.** The draft Public Finance Management Act (PFMA) and Municipal Finance Management Act (MFMA) amendments, the fiscal-anchor proposal and the revised White Paper on Local Government point towards stronger Treasury oversight, more intervention in financially distressed institutions and greater accountability for municipal performance.
  2. **The compliance burden on business is likely to increase.** Proposed employment, telecommunications and environmental reforms would require stronger systems for workforce management, customer verification, data protection, record-keeping and regulatory reporting.
  3. **The state is seeking to expand private-sector participation in infrastructure.** Municipal Public-Private Partnership (PPP) reforms, the revised local-government framework and the electronic communications deployment policy direction create potential opportunities, but execution will depend on institutional capacity and regulatory certainty.
  4. **Financial-market and tax reforms are entering a more consequential phase.** The transition from the Johannesburg Interbank Average Rate (JIBAR) to the South African Rand Overnight Index Average (ZARONIA), the 2026 tax Bills and customs amendments have direct implications for financial institutions, borrowers, importers, exporters and businesses with complex tax or financing arrangements.
- The central tension is that government is attempting to improve the investment environment while expanding regulatory oversight. Stronger controls may improve confidence and accountability, but they could also increase compliance costs and delay decisions if implementation capacity does not improve.

PUBLIC FINANCE, PROCUREMENT AND LOCAL-GOVERNMENT REFORM

Draft PFMA and MFMA Amendment Bills



- National Treasury published the Draft Public Finance Management and Related Laws Amendment Bill, 2026, and the Draft Local Government: Municipal Finance Management Amendment Bill, 2026.
- The PFMA proposals seek to clarify the responsibilities of accounting officers, boards and executive authorities, strengthen Treasury's enforcement powers and improve accountability for financial misconduct. Of particular significance is the proposed power for Treasury to instruct institutions to suspend supplier payments where there are reasonable grounds to suspect corruption, fraud or other criminal conduct.
- The MFMA proposals focus on funded municipal budgets, revenue collection, financial reporting, financial recovery and earlier intervention in distressed municipalities. They also propose a Municipal Financial Misconduct Investigation Committee, administrative monetary penalties for specified municipal office-bearers and officials, and potential supplier accountability in cases involving irregular, fruitless or wasteful expenditure.
- These proposals represent a shift towards more interventionist public financial management. The supplier-accountability provisions are particularly important because they potentially extend the consequences of public-sector financial misconduct beyond the officials and institutions directly responsible.
- For companies supplying government, the implications could extend to procurement due diligence, contract administration, invoice verification, subcontractor oversight and the documentation of contract performance. Businesses may increasingly need to demonstrate not only that they delivered against a contract, but also that the procurement and payment processes supporting that contract were properly conducted.
- There is a potential positive effect: stronger municipal financial management could improve payment discipline and the reliability of public-sector counterparties. However, the proposed payment-suspension powers could also create uncertainty for legitimate suppliers where investigations delay payments.
- **Business implication:** Companies with significant government exposure should review procurement governance, contractual protections, audit trails and internal escalation procedures. Industry associations should consider making submissions before the January 2027 deadline.

Revised White Paper on Local Government

- President Cyril Ramaphosa launched the Revised White Paper on Local Government, nearly three decades after the original 1998 framework. It responds to persistent weaknesses in municipal governance, financial sustainability, institutional capability and service delivery. Cabinet had approved the revised policy in September and endorsed a phased implementation programme supported by a time-bound Local Government Transition Management Body.



- The proposals include:
  - Differentiating municipal powers and functions according to size, capability and performance.
  - Strengthening intergovernmental coordination and the alignment of planning and investment.
  - Professionalising municipal administrations and strengthening accountability.
  - Improving municipal financial sustainability, revenue collection and infrastructure maintenance.
  - Separating the roles of water and electricity service authorities from service providers, with compulsory licensing proposed for providers.
  - Considering legislative and potentially constitutional amendments to enable the new institutional arrangements.
- This is arguably the most consequential local-government policy development of the month. It signals that government is moving beyond incremental municipal interventions towards reconsidering the institutional design of local government itself.
- The proposed differentiation of municipal functions could change which institutions are responsible for delivering particular services. The separation of service authorities and service providers could also alter the structure of municipal utilities and create opportunities for regional service providers, concessions and private-sector partnerships.
- However, the White Paper is not itself an operational transfer of municipal powers or a new licensing regime. Those changes require further legislative, institutional and implementation steps.
- **Business implication:** Companies exposed to municipal water, electricity, waste, sanitation, transport and infrastructure services should monitor the transition process closely. The eventual allocation of functions, licensing arrangements and service-provider responsibilities could affect contracts, investment models and the continuity of essential services.

Municipal Public-Private Partnership regulations

- The proposed framework seeks to simplify municipal PPP procurement, differentiate procedures according to project size and complexity, introduce a simplified pathway for projects below R2 billion, clarify institutional responsibilities and provide for unsolicited proposals. It also seeks to improve the treatment of fiscal risks and contingent liabilities and strengthen protections against arbitrary cancellation of viable projects.
- The reforms are intended to address some of the transaction costs and procedural uncertainty that have constrained private-sector participation in municipal infrastructure. They could improve the prospects for investment in water, electricity, transport and other municipal trading services.
- The important qualification is that streamlined regulations cannot compensate for municipalities that lack credible project preparation, financial viability or the technical capacity to manage long-term contracts.
- **Business implication:** Infrastructure investors, banks, engineering firms, technology providers and utilities should monitor the final regulations and identify municipalities with viable projects and credible implementation capacity. The quality of the municipal counterparty will remain as important as the regulatory framework.

Fiscal-anchor legislation and the General Finance Laws Amendment Bill



- National Treasury published draft fiscal-anchor legislation for public comment during October, with the intention of embedding fiscal sustainability within the PFMA. The proposal favours a framework requiring administrations to establish fiscal objectives consistent with their mandates rather than imposing a rigid numerical fiscal rule.
- Separately, Parliament's Standing Committee on Finance held public hearings on the General Finance Laws Amendment Bill, B21-2026, on 13 October. The Bill includes proposed amendments to the Financial Sector Regulation Act to support the designation of replacement financial benchmarks and address legacy contracts. It also contains procurement-related provisions concerning ministerial review and reporting.
- The fiscal-anchor proposal seeks to institutionalise greater continuity in fiscal policy across successive administrations. Its significance lies in whether it improves the credibility of fiscal commitments and makes deviations from stated objectives more transparent.
- The General Finance Laws Amendment Bill has a more immediate financial-market dimension, particularly because of the transition away from JIBAR. That issue is considered further below.

LABOUR REGULATION AND EMPLOYMENT COMPLIANCE

Clarification of the Employment Services Amendment Bill



- Tabled in Parliament on 29 May, the Employment Services Amendment Bill proposes substantial amendments to the Employment Services Act, including a more comprehensive framework for the employment of foreign nationals.
- Proposed measures include ministerial powers to prescribe quotas for foreign nationals in particular sectors and occupations, stronger local recruitment requirements, skills-transfer plans, additional enforcement powers and expanded regulation of private employment agencies.
- The Department of Employment and Labour clarified on 7 October that the proposed amendments do not create new employment rights for refugees and asylum seekers or remove existing immigration requirements.
- The Bill could materially change the labour-market compliance environment, particularly for businesses dependent on specialised, scarce or internationally sourced skills.
- The proposed quota powers introduce a potential new layer of sector-specific employment regulation. Their practical effect will depend on how the Minister exercises those powers, which sectors and occupations are covered, and how the requirements interact with immigration legislation and existing skills policies.
- **Business implication:** Employers should assess their reliance on foreign skills, workforce profiles, recruitment procedures, work-authorisation records and skills-transfer arrangements. Mining, manufacturing, technology, telecommunications, financial services and engineering businesses may be particularly exposed.

Amendments to CCMA Rules



- The amended CCMA Rules modernise dispute-resolution procedures. Key changes include formal recognition of electronic filing and communications, including WhatsApp notifications; requirements for parties to discuss AI and AI-generated material during pre-arbitration conferences; clearer provisions on joining parties to proceedings; and changes to attendance and recording procedures.
- Although the changes do not fundamentally alter substantive employment rights, they have practical consequences for employers' dispute-management systems. The explicit treatment of AI-generated material is particularly notable: employment disputes are increasingly likely to involve digital records, automated outputs and AI-assisted evidence.
- **Business implication:** Employers should ensure that HR and legal teams monitor electronic CCMA communications, maintain current contact details and have procedures for verifying the authenticity, provenance and accuracy of AI-generated material used in proceedings.

TELECOMMUNICATIONS AND DIGITAL REGULATION

ICASA's Draft Numbering Plan Fifth Amendment Regulations



- ICASA published the Draft Numbering Plan Fifth Amendment Regulations, 2026, proposing a more comprehensive mobile subscriber registration framework. The proposals include biometric verification for new and existing subscribers when mobile numbers are activated or reactivated, and when SIM swaps are requested. They also propose limits on the number of mobile numbers assigned to individual subscribers and restrictions on the active period of numbers allocated to visitors to South Africa.
- The additional material supplied for this report identifies proposed record-retention and deletion requirements, restrictions on the use and storage of biometric information, and financial penalties for specified contraventions. These provisions should be assessed against the final draft and consultation documents before being treated as settled obligations.
- This proposal has implications well beyond mobile network operators. Mobile numbers are embedded in digital identity, banking, fintech, e-commerce, customer authentication and fraud-prevention systems.
- A mandatory biometric regime could improve subscriber verification and reduce certain forms of SIM-related fraud. However, it would also require substantial coordination between operators and the Department of Home Affairs, investment in customer-verification systems, and careful management of biometric information under POPIA.

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- The transition for existing subscribers may prove more difficult than onboarding new customers, particularly where legacy databases contain incomplete or outdated identity information.
- **Business implication:** Mobile operators, MVNOs, fintech businesses and digital service providers should assess the potential costs of implementation, the implications for customer onboarding and authentication, and the risks associated with biometric-data processing.

Spectrum-licence compliance and connectivity obligations

- On 14 October, Parliament's Portfolio Committee on Communications and Digital Technologies questioned mobile operators about progress in meeting spectrum-licence obligations to connect public service institutions, including schools and clinics.
- ICASA reported that 10,851 of the targeted 21,878 institutions had been connected by March 2026, representing 49.1% completion. The Committee raised concerns about operators falling below the required thresholds and called for stronger enforcement.
- This signals that spectrum licensing is increasingly being treated as an enforceable public-interest obligation rather than simply a mechanism for allocating scarce spectrum.
- **Business implication:** Operators should review outstanding licence commitments and ensure that implementation plans, reporting and supporting evidence are robust. The wider implication is that future spectrum and telecommunications regulation may place greater emphasis on measurable infrastructure and connectivity outcomes.

Electronic Communications Network Deployment Policy Direction

- The Department of Communications and Digital Technologies published a policy direction concerning the deployment of electronic communications networks and facilities under the national rapid deployment policy framework.
- The direction is relevant to the regulatory environment governing fibre, broadband and other communications infrastructure. The central issue is whether it improves coordination between network operators and public authorities, particularly in relation to municipal permissions, access to land and infrastructure deployment.
- **Business implication:** Telecommunications infrastructure providers should monitor how the direction is translated into practical processes and whether it reduces delays and uncertainty in network rollout.



Universal Access and Universal Service

- The Department published a discussion document addressing categories of needy persons and the modalities for subsidy applications and payments under the Electronic Communications Act.
- The consultation could influence the future design of universal-service subsidies and obligations. Its commercial significance lies in how government defines eligibility, allocates support and shares the costs of extending connectivity to underserved communities.
- **Business implication:** Telecommunications operators and infrastructure providers should monitor the consultation outcomes for potential changes to subsidy eligibility, funding arrangements and the economics of serving less commercially viable areas.

ICASA affordability inquiry

- ICASA's October regulatory environment also included the reissued telecommunications affordability inquiry. The earlier notices concerning affordability and the separate OTT inquiry were withdrawn, with the affordability inquiry reissued under section 4B of the ICASA Act.
- The inquiry is expected to examine pricing, market conditions and access to telecommunications services through information requests, consumer research and further consultation.
- The affordability inquiry could eventually inform regulatory interventions affecting retail pricing, competition and access to voice and broadband services. The withdrawal of the earlier OTT notices means that the future regulatory treatment of OTT services remains uncertain; the two processes should not be conflated.
- Business implication: Operators should engage with the affordability process and monitor whether its findings lead to interventions that affect pricing, wholesale arrangements or the economics of network investment.

FINANCIAL MARKETS, TAXATION AND CUSTOMS REGULATION

Transition from JIBAR to ZARONIA



- National Treasury briefed Parliament's Select Committee on Finance on the General Finance Laws Amendment Bill (B21-2026), which provides for the transition from the Johannesburg Interbank Average Rate (JIBAR) to the South African Rand Overnight Index Average (ZARONIA), an overnight rand money-market benchmark.
- The proposed amendments would empower the South African Reserve Bank (SARB) to designate replacement benchmarks, determine their application to legacy contracts and establish adjustment spreads where necessary.
- The transition is important because JIBAR is scheduled to cease on 31 December 2026. Treasury has warned of legal uncertainty, financial-stability risks and operational complications if the enabling legislation is not finalised in time.
- This is one of the most time-sensitive financial-market developments of the month. The transition affects more than banks: it potentially touches corporate loans, derivatives, debt instruments and other financial contracts that reference JIBAR.
- The risk is not simply a change in the reference rate. It is the possibility of uncertainty over how existing contractual obligations are recalculated and administered if the legal framework is delayed.
- **Business implication:** Companies with JIBAR-linked financing or derivative exposure should identify affected contracts, engage lenders and financial institutions, and assess the proposed fallback provisions and adjustment spreads. Financial institutions should prioritise operational readiness and communication with clients.

Taxation Laws Amendment Bill and Tax Administration Laws Amendment Bill



- These Bills were introduced to the National Assembly on 21 October as part of the Medium-Term Budget Policy Statement (MTBPS) legislative package.
- The tax package includes:
  - Taxation Laws Amendment Bill (B32-2026).
  - Tax Administration Laws Amendment Bill (B33-2026).
  - Rates and Monetary Amounts and Amendment of Revenue Laws Bill (B34-2026).
- The Tax Administration Laws Amendment Bill proposes changes affecting provisional-tax underestimation penalties, certain withholding-tax obligations for non-resident employers, customs-duty rebates, documentation requirements for second-hand goods and VAT return and payment arrangements.
- The proposed amendments are part of government's continuing effort to strengthen tax administration and improve revenue collection. Their impact will depend on the final provisions and how SARS implements them.
- For businesses, the important issue is the cumulative effect of changes to tax administration, documentation and reporting. Even where individual amendments appear technical, they can affect working capital, transaction structuring and compliance costs.
- **Business implication:** Corporates should review the Bills for implications for tax liabilities, customs rebates, VAT administration, payroll and cross-border transactions. The proposals should not be treated as enacted amendments.

Customs and Excise Rules

- Two October amendments warrant attention:
  - **Client accreditation:** Rules published on 9 October under sections 64E and 120 of the Customs and Excise Act, with retrospective effect from 1 September 2025.
  - **Petroleum accounts:** Rules published on 16 October, effective immediately, concerning the substitution of petroleum accounts and prescribed excise-account forms for special storage and licensed warehouse arrangements.
- These changes reinforce the importance of accurate customs documentation and the integrity of excise-accounting systems.
- **Business implication:** Importers, exporters, logistics businesses and accredited customs clients should assess whether their documentation and accreditation arrangements need updating. Petroleum storage, refining and distribution operators should check that their accounting and reporting procedures reflect the revised prescribed forms.

JSE Listings Requirements: Financial reporting

- Proposed amendments to the JSE Listings Requirements concerning financial reporting were published under the Financial Markets Act.
- **Business implication:** Listed companies should assess the proposals for their potential effects on financial reporting, disclosure controls, audit processes and reporting timetables. Issuers and professional bodies should use the consultation period to raise implementation concerns.

COMPETITION, CONSUMER PROTECTION AND ENVIRONMENTAL REGULATION

Draft Guidelines on Repair, Service and Maintenance Aftermarkets

- The Competition Commission published draft guidance under the Competition Act concerning repair, service and maintenance aftermarkets.
- The guidance addresses competition issues where manufacturers, distributors or original equipment suppliers may control access to spare parts, technical information, warranties and repair services.
- The proposals could affect the balance of power between original equipment manufacturers and independent repair providers. This is particularly relevant where after-sales services form a significant part of the value chain.
- **Business implication:** Automotive, industrial equipment, electronics and other affected businesses should assess warranty conditions, access to technical information, distribution arrangements and restrictions on independent repair services.

Competition Commission Rules

- The publication of the Competition Commission Rules is a procedural development relevant to the administration of competition matters.
- **Business implication:** Companies involved in mergers, investigations or other competition proceedings should monitor any associated changes to filing, procedural and compliance requirements.

Consumer Protection Act: Opt-Out Registry guidelines

- The National Consumer Commission (NCC) published guidelines for compliance with the Opt-Out Registry Regulations under the Consumer Protection Act.
- The guidelines reinforce the importance of respecting consumer preferences in direct marketing. Businesses should ensure that customer databases, acquisition processes, call-centre practices and third-party marketing arrangements properly account for opt-out preferences.
- This is particularly relevant to financial services, telecommunications, insurance, retail and FMCG businesses that rely on direct customer solicitation.



National Environmental Management Laws (Administrative Penalties) Amendment Bill

- The Department of Forestry, Fisheries and the Environment published the National Environmental Management Laws (Administrative Penalties) Amendment Bill, 2026.
- The Bill proposes amendments relating to administrative penalties within the national environmental management legislative framework.
- The proposal signals an emphasis on strengthening administrative enforcement of environmental obligations. Its importance for business lies in the potential consequences of non-compliance, particularly where environmental authorisations, operational conditions and reporting requirements are involved.
- The precise scope and quantum of any penalties should not be assumed before the Bill is finalised.
- **Business implication:** Mining, manufacturing, energy and infrastructure companies should review their environmental compliance systems, incident-reporting procedures and internal controls. Affected industry bodies should examine the draft provisions and submit comments where the proposed enforcement model could create uncertainty or disproportionate compliance costs.

Mine Health and Safety Act: Chapter 21 regulations

- The Department of Mineral and Petroleum Resources (DMPR) published amendments to Chapter 21 of the Mine Health and Safety Regulations relating to prescribed forms.
- **Business implication:** Although primarily technical and administrative, the changes are relevant to mining companies' health and safety compliance functions. Operators should review the revised forms and ensure that internal reporting and documentation remain aligned with the prescribed requirements.

AGRICULTURE, SECOND-HAND GOODS AND PETROLEUM REGULATION

Draft Stock Theft Amendment Bill



- The proposed amendments seek to strengthen livestock identification, record-keeping, movement documentation and enforcement.
- The proposals are relevant to the integrity of agricultural supply chains and the ability of law-enforcement authorities to trace livestock and investigate stock theft.
- **Business implication:** Livestock producers, commercial farmers, meat processors, auctioneers and livestock transport operators should assess the implications for identification, movement documentation and traceability. The consultation deadline is 2 November.

Draft Second-Hand Goods Amendment Bill

- The proposed amendments seek to strengthen the regulation of second-hand goods dealers, recyclers and auctioneers, including registration, record-keeping and accreditation requirements. They also address weaknesses in the regulatory framework governing stolen property and illicit metal recycling.
- The proposal is particularly relevant to the scrap-metal value chain and sectors exposed to infrastructure theft. Stronger regulation could improve traceability and constrain illicit markets, but may also increase administrative obligations for legitimate dealers and recyclers.



- **Business implication:** Recyclers, scrap-metal businesses, auctioneers, infrastructure operators and affected industry associations should review the proposed requirements and consider whether submissions are necessary.

Other petroleum and electricity developments



- Amendments to Petroleum Products Regulations were published on 6 October. The available material identifies the regulatory change but does not establish enough detail to assess its substantive effect on pricing or the wider petroleum market. It should therefore remain a technical watch item pending review of the specific amendments.
- Separately, public consultation on the Electricity Market Transformation Position Paper and Revised Electricity Pricing Policy was extended to 28 October. This is relevant to the future structure of electricity pricing, market arrangements and the commercial environment for energy producers and consumers, but it should be treated as an ongoing policy consultation rather than a new law coming into force in October.

CONSOLIDATED BUSINESS EXPOSURE ASSESSMENT

The October developments create different levels of exposure across sectors. The following table identifies the principal implications for businesses and the areas requiring management attention.

Sector / exposure	Principal developments	Main business implication
Government suppliers and infrastructure contractors	PFMA and MFMA Bills; municipal PPP reforms	Procurement due diligence, payment risk, contract governance and supplier accountability
Municipal utilities and service providers	Revised White Paper; MFMA reforms; PPP regulations	Potential changes to service-provider roles, licensing, municipal functions and infrastructure partnerships
Telecommunications and fintech	ICASA numbering proposals; spectrum obligations; affordability inquiry	Biometric verification, POPIA, customer onboarding, network investment and regulatory enforcement
Mining and energy	Environmental penalties Bill; Mine Health and Safety amendments; electricity reforms	Environmental enforcement, health and safety documentation, energy costs and investment certainty
Employers and labour-intensive businesses	Employment Services Amendment Bill; CCMA Rules	Foreign-worker compliance, skills planning, dispute management and digital evidence
Banks and corporate borrowers	JIBAR–ZARONIA transition; tax legislation	Contract repricing, benchmark risk, financial reporting and tax administration
FMCG and import-dependent businesses	Tax administration, customs rules, consumer marketing guidance	Customs documentation, VAT administration, excise compliance and direct-marketing controls
Agriculture and food value chains	Stock Theft Amendment Bill; monetary and energy pressures	Livestock traceability, transport costs, input prices and supply-chain integrity
Listed companies	JSE financial reporting proposals	Disclosure controls, audit processes and reporting obligations
Recyclers and infrastructure operators	Second-Hand Goods Amendment Bill	Dealer registration, record-keeping and illicit-metal supply-chain controls

NOVEMBER REGULATORY WATCHLIST

The following developments will receive priority in our November monitoring programme.

Priority	Development	Next milestone / watchpoint
High	Employment Services Amendment Bill	Public participation closes 6 November
High	JSE financial reporting proposals	Comments due 8 November

High	PFMA and MFMA Amendment Bills	Public comments due 29 January 2027
High	ICASA Numbering Plan amendments	Consultation process and final regulations
High	Municipal PPP Regulations	Parliamentary scrutiny and implementation
High	JIBAR–ZARONIA transition	Legislative progress before JIBAR cessation on 31 December
High	Revised White Paper on Local Government	Transition Management Body, implementation plan and legislative proposals
High	Environmental Administrative Penalties Bill	Public comments due 25 December
Medium-High	Stock Theft Amendment Bill	Comment deadline 2 November
Medium-High	Second-Hand Goods Amendment Bill	Comment deadline 2 November
Medium-High	Spectrum-licence obligations	ICASA enforcement and operator connectivity milestones
Medium-High	Taxation and Tax Administration Laws Amendment Bills	Parliamentary consideration and possible amendments
Medium	Competition Commission aftermarket guidance	Finalisation of guidance
Medium	Universal Access and Universal Service	Outcomes of consultation
Medium	Electronic communications deployment direction	Practical implementation and municipal coordination
Medium	Customs and Excise amendments	Implementation and compliance monitoring
Medium	Mine Health and Safety forms	Alignment of mining compliance documentation

Timing note: the Stock Theft and Second-Hand Goods Bill consultation deadlines are 2 November 2026. The JSE deadline is 8 November 2026.

OVERALL ASSESSMENT

- October's developments reveal three structural shifts that are likely to shape the business environment over the coming months.

The state is moving towards stronger financial and institutional control

- The PFMA and MFMA proposals, fiscal-anchor legislation and revised White Paper on Local Government point towards a more interventionist approach to public financial management and municipal governance.
- The underlying problem government is attempting to address is not simply a shortage of funding. It is the persistent failure to translate public resources into reliable infrastructure, functioning institutions and measurable service outcomes.
- For business, this creates both opportunity and risk. Better financial management could improve municipal payment discipline, infrastructure planning and the credibility of public-sector projects. At the same time, stronger enforcement powers and supplier-accountability provisions could increase the legal and financial consequences of weak procurement controls.
- The key test will be whether stronger oversight produces better institutional performance or adds another layer of approvals and administrative delays.

Regulatory compliance is becoming more data-intensive and demonstrable

- The ICASA numbering proposals, Employment Services Amendment Bill, CCMA Rules and environmental administrative penalties proposals point towards a regulatory environment in which businesses will increasingly be expected to demonstrate compliance through verifiable records and effective internal controls.
- This is an important change in the nature of corporate regulatory risk. Compliance is not confined to possessing the relevant licence or policy. It increasingly requires evidence that processes are being followed, information is accurate, obligations are being monitored and management can demonstrate accountability.
- For businesses, this raises the importance of integrated compliance systems, reliable data management, internal audit, workforce documentation and regulatory engagement. The implications are particularly significant for telecommunications, fintech, mining, manufacturing and companies with complex employment arrangements.

Government is seeking private capital, but investment will depend on execution

- The municipal PPP reforms, revised White Paper on Local Government, electronic communications deployment direction and continuing electricity-market reforms suggest that government recognises the need for private-sector capital and technical capacity.
- However, the availability of a more enabling policy framework does not automatically create bankable projects. Municipal financial weakness, uncertain institutional responsibilities, procurement delays and limited project-preparation capacity remain substantial barriers.
- The Revised White Paper on Local Government is particularly important because it raises the prospect of changing the institutional allocation of municipal functions and the regulation of water and electricity service providers. If implemented effectively, this could reshape opportunities in infrastructure and essential services. If implementation is delayed or contested, it could prolong uncertainty for investors and existing service providers.

Financial-market reform and external pressures remain important commercial considerations

- The JIBAR–ZARONIA transition and the tax legislative package demonstrate that regulatory change is also affecting the financial architecture within which businesses operate.
- At the same time, the October MTBPS and SARB Monetary Policy Review provide the wider economic context. Fiscal indicators improved, with public debt stabilising at 78.4% of GDP in 2025/26, the budget deficit projected at 3.9% in 2026/27 and gross tax revenue revised upwards. However, growth remains subdued at 1.2% for 2026, while energy-price and food-inflation risks remain material.
- The MTBPS also points to a stronger emphasis on infrastructure project preparation and execution, including the role of IFISA and the municipal PPP pipeline. The commercial opportunity is real, but it depends on converting fiscal space and policy commitments into projects that can be procured, financed and delivered.

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