

THE PRESIDENCY
REPUBLIC OF SOUTH AFRICA

Heading

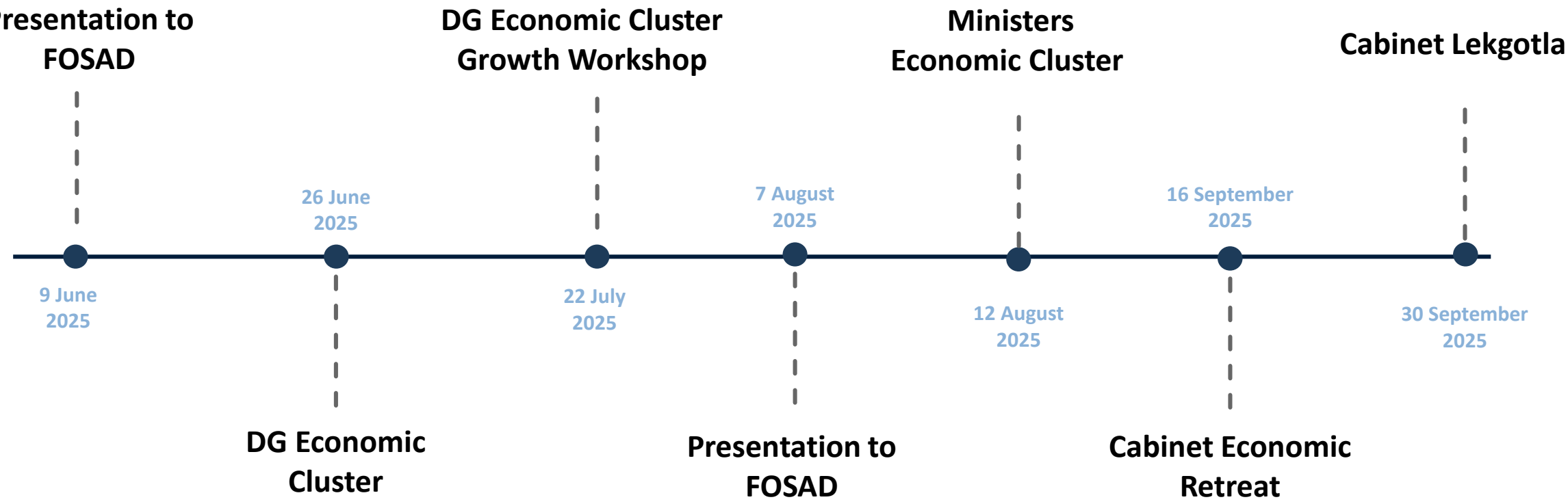
Implementation Plan to drive Growth and Inclusion

Subheading

8 October 2025

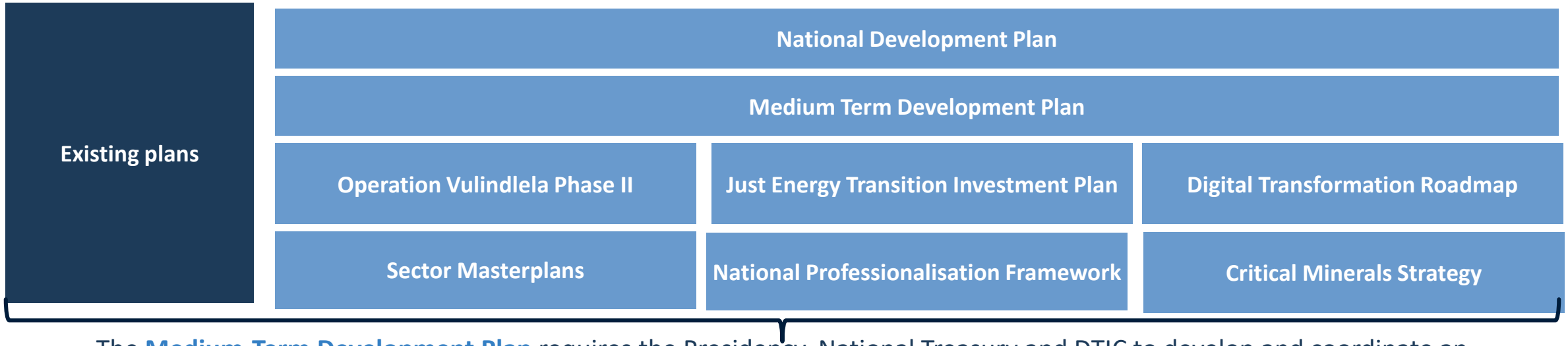
FINAL

Consultation Process



Background

- This is not a new economic growth plan, nor is it intended to replace the Medium-Term Development Plan (MTDP). Instead, it outlines a coherent and focused implementation plan to improve execution of existing policy commitments, and to address emerging challenges in the domestic and global context. In particular, we need to double down in
  - Dealing with poverty and the cost of living.
  - Reaffirming the NDP and its objectives of eliminating poverty, reducing inequality, and creating employment.
- A weak implementation record remains the most important barrier to achieving higher economic growth and job creation. Our success will depend on determined execution, rigorous monitoring of progress, and strong accountability with consequences for delays or failure to deliver.

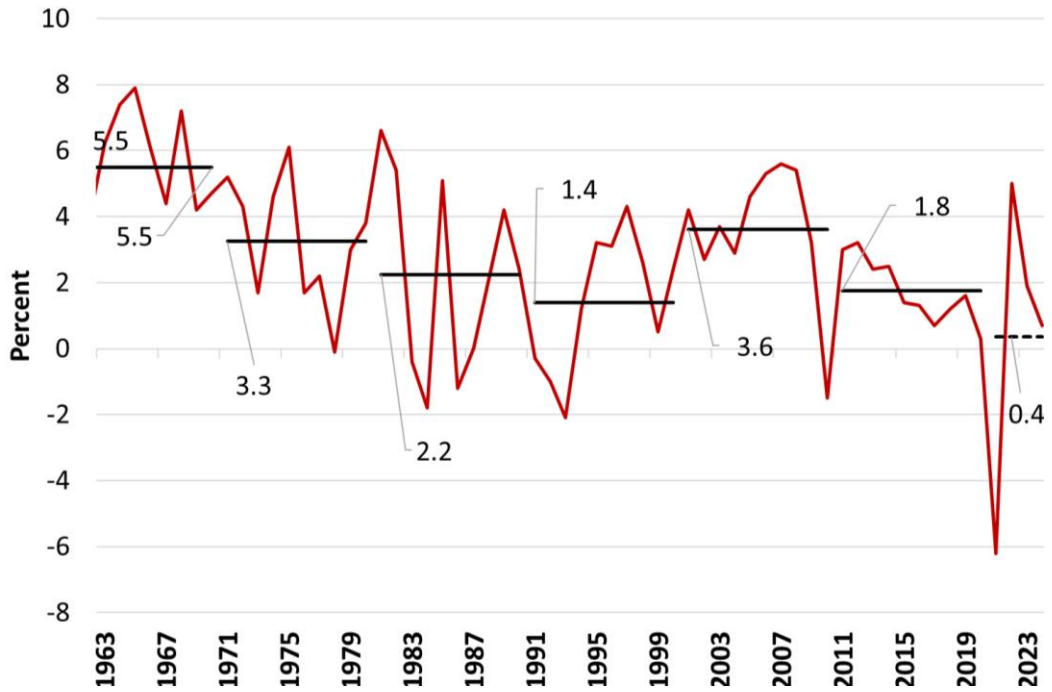


The **Medium-Term Development Plan** requires the Presidency, National Treasury and DTIC to develop and coordinate an *"integrated economic growth strategy"* to bring together these existing policy commitments in **a focused and carefully prioritized strategy to deliver growth**.

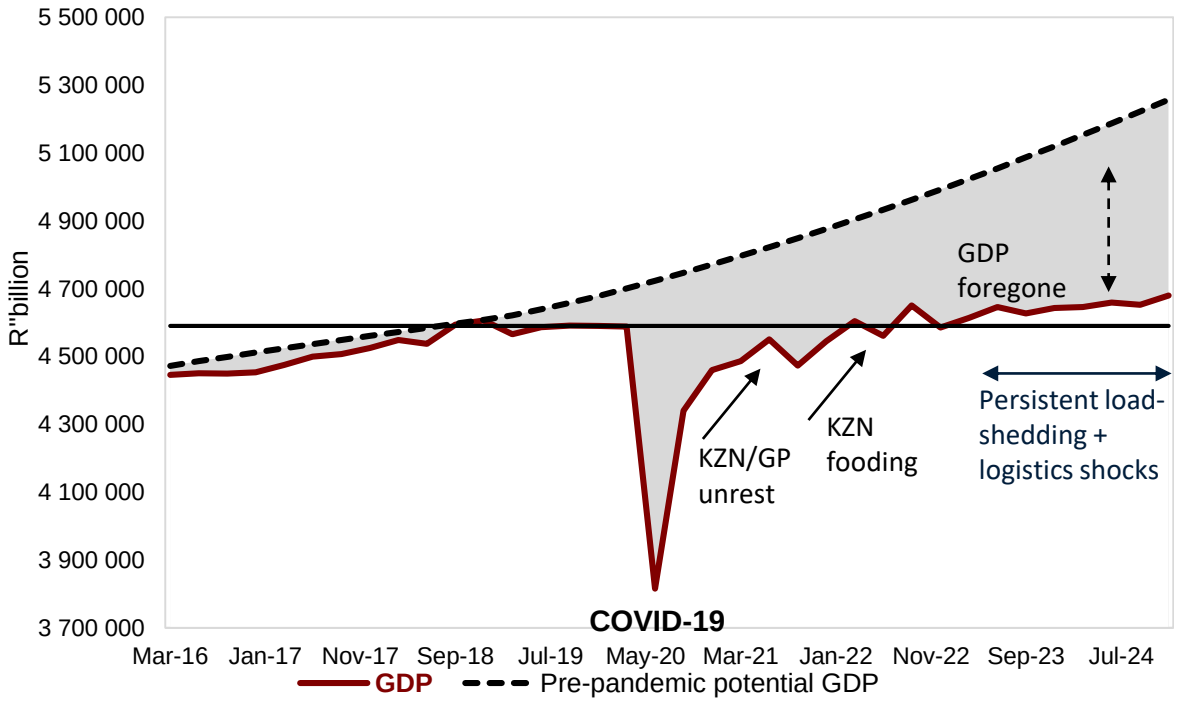
The **Implementation Plan to drive Growth and Inclusion** fulfills this commitment. It provides a concrete set of actions to turnaround the economy

Long-run decline in growth was exacerbated by COVID-19 and other shocks

GDP growth average by decade



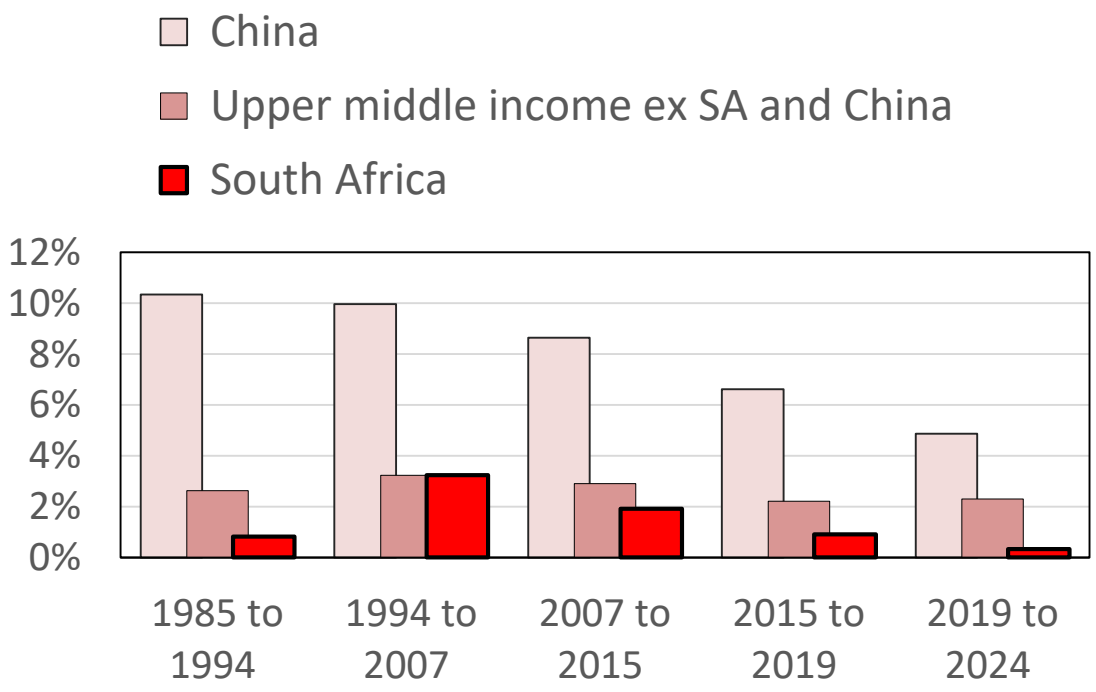
GDP in level terms



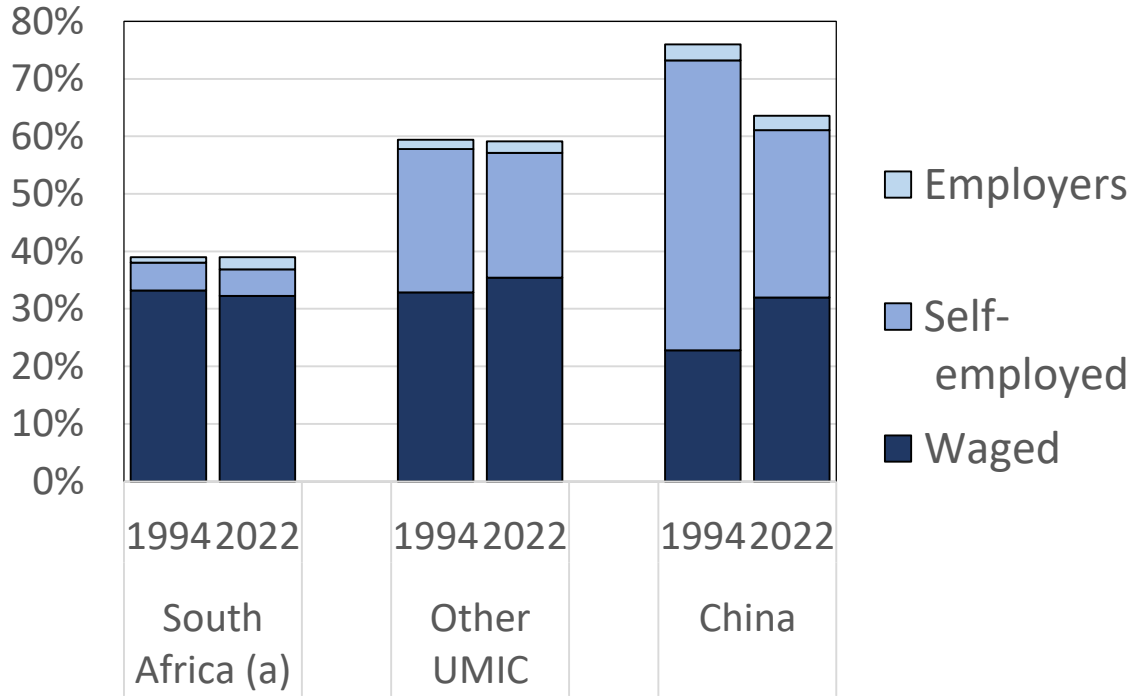
- Total factor productivity's negative contribution to growth intensified since 2015 and coincides with the broad-based malfunctioning of state-owned entities in key sectors.
- GDP has recovered to above pre-COVID levels, but the trajectory has been volatile and the gap between pre-pandemic projections and actual outcomes persists due to weak private investment.

Low growth has been associated with a much higher unemployment rate than in peer economies since the 1980s, especially for young people

GDP growth by decade



Working age population with income-generating employment



What is holding back growth?

Reform implementation has been too slow to address the structural constraints on growth.

- The right reforms have been identified through Operation Vulindlela, but implementation in several key areas remains slow and incremental. We need a “big bang” approach to reform to achieve a meaningful impact on growth.
- In the energy sector, early reform momentum is stalling due to internal resistance and capacity constraints. This is holding back potentially large investment that should be the main driver of growth over the next 3-5 years.

Regulatory barriers remain high, and many sectors are over-regulated.

- The latest OECD Economic Survey shows that South Africa has the highest barriers to entry and most restrictive product market regulation of all countries included in the survey. This is largely due to the dominance of SOEs in sectors such as energy and logistics and the lack of competition, as well as overregulation of SMMEs and the informal sector.
- Weak state capability has resulted in inefficient processes, poor quality decision making and a lack of policy responsiveness to emerging trends.

Inequality remains a constraint on growth:

As a result, there is an urgent need to change the structure of the economy to address these mismatches and put the economy on a higher production frontier, through:

- Increasing capital investment through an investment friendly environment and stable macroeconomic policy, as well as higher public investment in infrastructure.
- Accelerating the reform of network industries and opening key sectors to competition.
- Improving the performance of public institutions so that the state enables rather than impedes growth.
- Building an inclusive economy through massive expansion in employment, supporting initiatives to expand growth in SMME’s and ensuring we improve our education outcomes.

Case study: India 1947 – present

India's growth story

- From independence in 1947 until the introduction of reforms in 1991, India was among the most highly regulated and protected economies in the world. Import controls prevented competition from foreign firms and levels of state ownership were high in many sectors, including most network industries.
- In 1991, a comprehensive economic reform programme was initiated under then Finance Minister Manmohan Singh liberalized key sectors such as telecommunications, transport and energy, opening these sectors to private sector investment and competition. As a result, India's GDP grew from from $266 billion in 1991 to $2.3 trillion in 2018, with GDP growth averaging 6% in the 1990s and 8% since 2000.
- In 1993–94, around 45–50% of Indians lived below the national poverty line.
  - By 2011–12, this had fallen to about 22% (using the Tendulkar poverty line).
  - World Bank estimates suggest that between 1990 and 2015, over 170 million people were lifted out of extreme poverty.
- On the other hand:
  - Unemployment: employment grew and was strongly supported by Public Employment Programme. Informalisation also deepened, and a mismatch emerged between skills and available jobs.
  - Inequality also increased with benefits of growth skewed towards urban middle and upper classes, certain regions, and skilled workers.
  - Increased concentration and financialisation across the economy.

Case study: India 1947 – present

Lessons for South Africa from the Indian Growth Model

- Unlike the East Asian countries, India's rapid growth in the 2000s was concentrated in services rather than manufacturing. This demonstrates the poverty-reducing potential of services-led growth.
- India's growth was propelled by a sweeping reform agenda implemented through a "big bang" approach, rather than slow, incremental reform.
- The 1991 reforms transformed India into one of the fastest-growing economies in the world and helped lift millions out of poverty. But this growth was not inclusive enough with unemployment, especially for youth, remained a chronic challenge, and inequality deepened along class, regional, caste, and gender lines. India's story is therefore one of growth with divergence.

From "trickling down" to "pulling up"

- Rapid economic growth can address poverty in two ways, as demonstrated in India since 1991:
  - Creating jobs at scale for the poor and unskilled or low-skilled, while increasing real wages
  - Increasing public revenues to enable higher spending on social protection, education and health

Unique challenges which the strategy must address



Limited fiscal space and high cost of capital

South Africa's sovereign debt increased significantly in response to the COVID-19 pandemic, compounded by higher interest rates in advanced economies driving up borrowing costs.

Over 20% of main budget revenue is now going towards debt service costs, diverting resources away from necessary public investment in growth-enhancing infrastructure, health, education and other spending. This limits the scope for fiscal stimulus, while crowding out private investment.



Global trade disruptions

Disruptions in the global trade system as a result of higher US tariffs will have a significant impact on key sectors, including automotive, steel and agricultural products, requiring urgent adjustments to protect and expand exports.

In addition to the direct impact of trade barriers, the risk of higher inflation globally could result in higher-than-expected interest rates and reduced capital flows to emerging markets.



Immediate interventions to stem rising job losses and growing inequality

Significant challenges in the steel, ferrochrome, construction and mining require immediate interventions to avoid any further job losses and de-industrialisation

Structural shifts driven by technological advancements

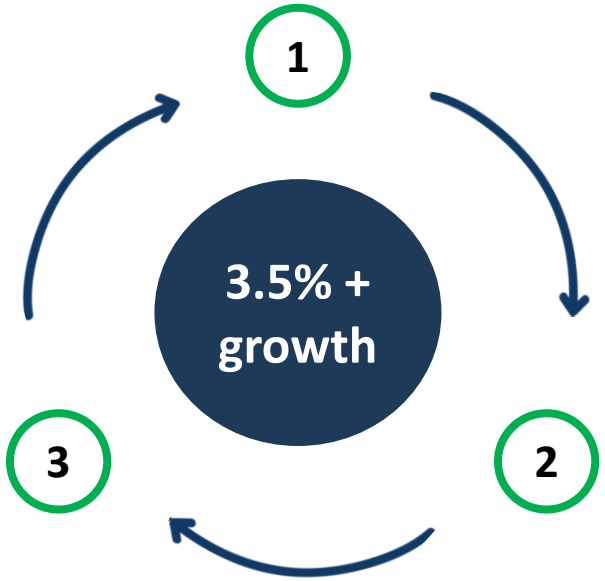


Rapid advances in artificial intelligence will lead to structural changes in the economy as the technology is applied in a wide range of sectors, with a pronounced impact on clerical and routine tasks.

This represents both a significant challenge as a result of reduced labour intensity and an opportunity through productivity gains and investment in skills, capabilities and infrastructure (such as data centres) required for AI.

South Africa’s growth opportunities – three examples of drivers

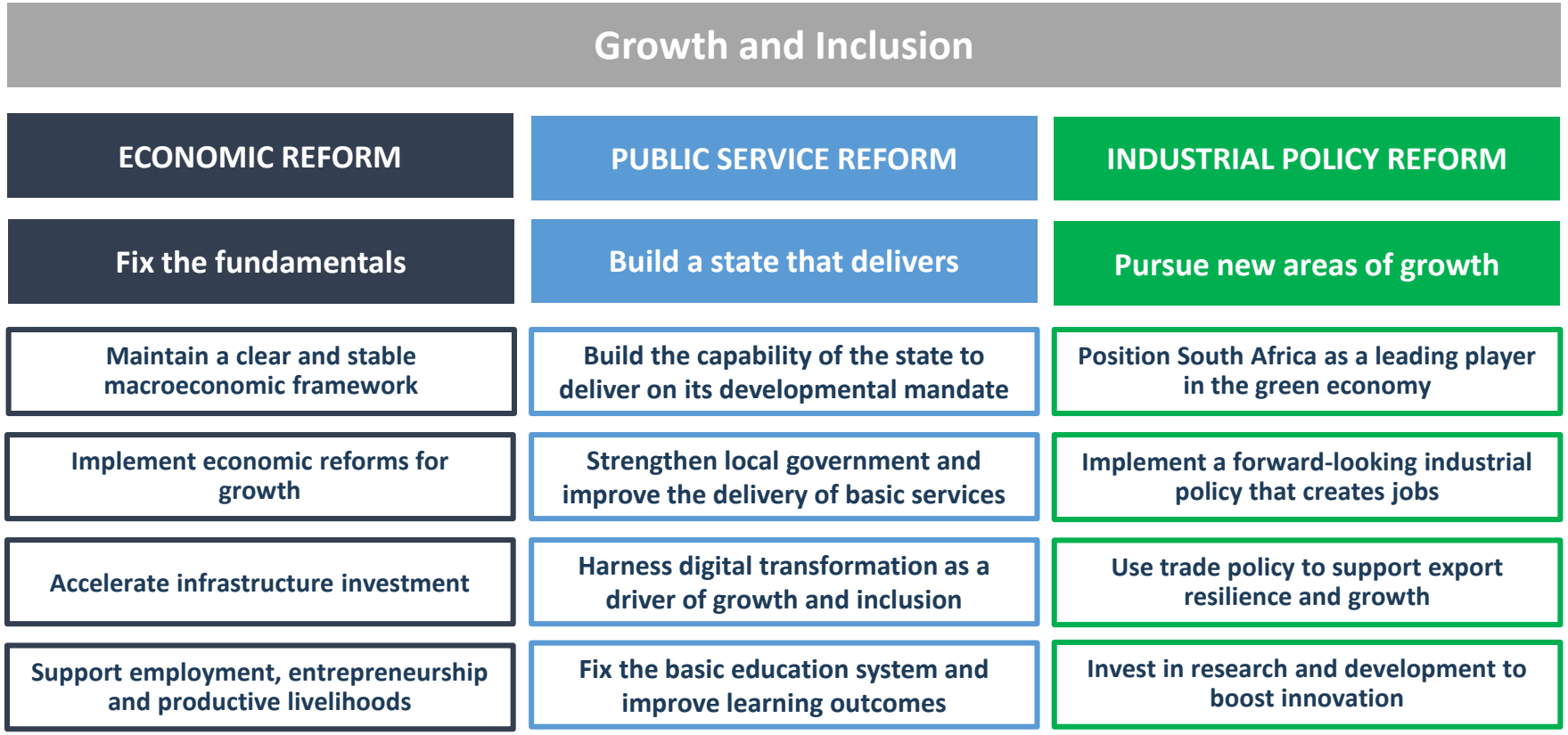
Introducing competition in the energy and logistics sectors to drive investment,
Accelerating the implementation of reforms through Operation Vulindlela to rapidly open key sectors to competition and investment



Reviving our industrial sectors and harnessing unique strengths in the green economy and services
South Africa can chart a growth path through cheap renewable energy enabling investment in green manufacturing, data centres and other capabilities, and a world-class services sector to drive exports

Boosting demand through large-scale infrastructure renewal
Reforms in the financing and delivery of infrastructure combined with increased public investment will drive domestic demand while enabling more efficient services

Three pillars of the Implementation Plan



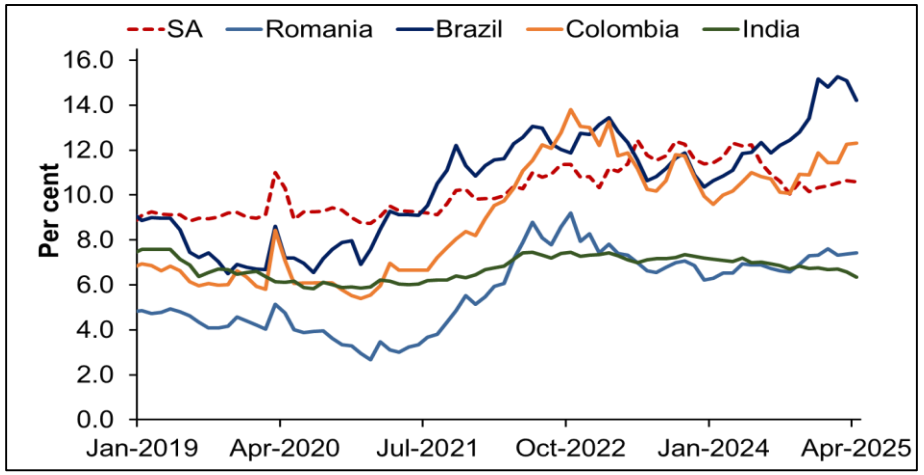
Fix the Fundamentals

FIX THE FUNDAMENTALS

Maintain a clear and stable macroeconomic framework

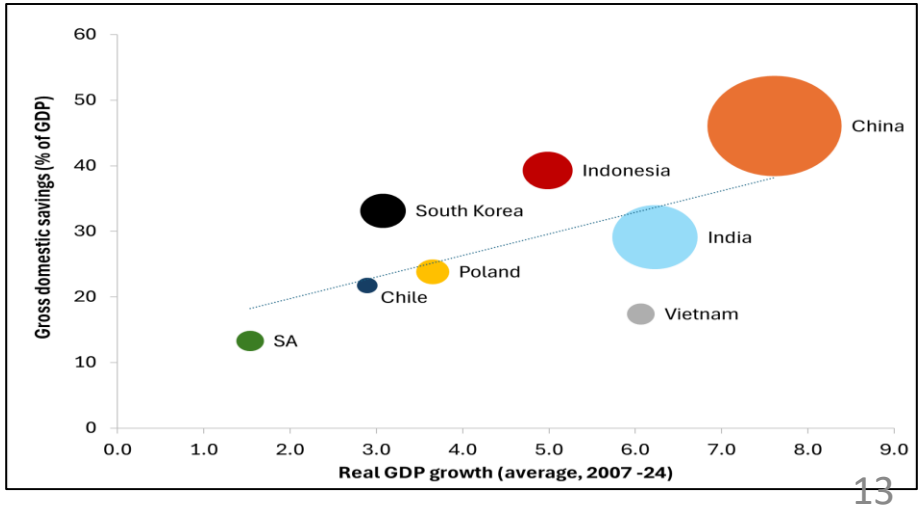
- Macroeconomic stability should **promote a predictable and stable macroeconomic environment** by maintaining low and stable inflation and stabilising public finances. This will lower government and economy-wide long-term borrowing costs, while enabling economic agents to make spending and investment decisions.
- Macroeconomic tools can provide temporary boosts to growth but **cannot be used permanently** without creating imbalances and distortions that eventually undermine growth, e.g. rapid inflation or high interest rates as credit risk increases.
- Since 2000, **inflation and interest rate volatility have declined**, fostering a more predictable environment that supports investment and long-term growth. **Long-term yields have eased** and remain below the levels assumed in the 2024 Budget, helping to contain debt-service costs and indicating improved investor sentiment.
- However, a key constraint is that South Africa's **persistently low savings rate**—driven mainly by structural fiscal deficits—limits capital availability and constrains growth.
- **Improving public savings and addressing capital scarcity**, alongside stronger household incomes and confidence, would support faster and more sustained economic growth.

Gross savings breakdown



Source: SARB

Real GDP vs gross savings (% of GDP)

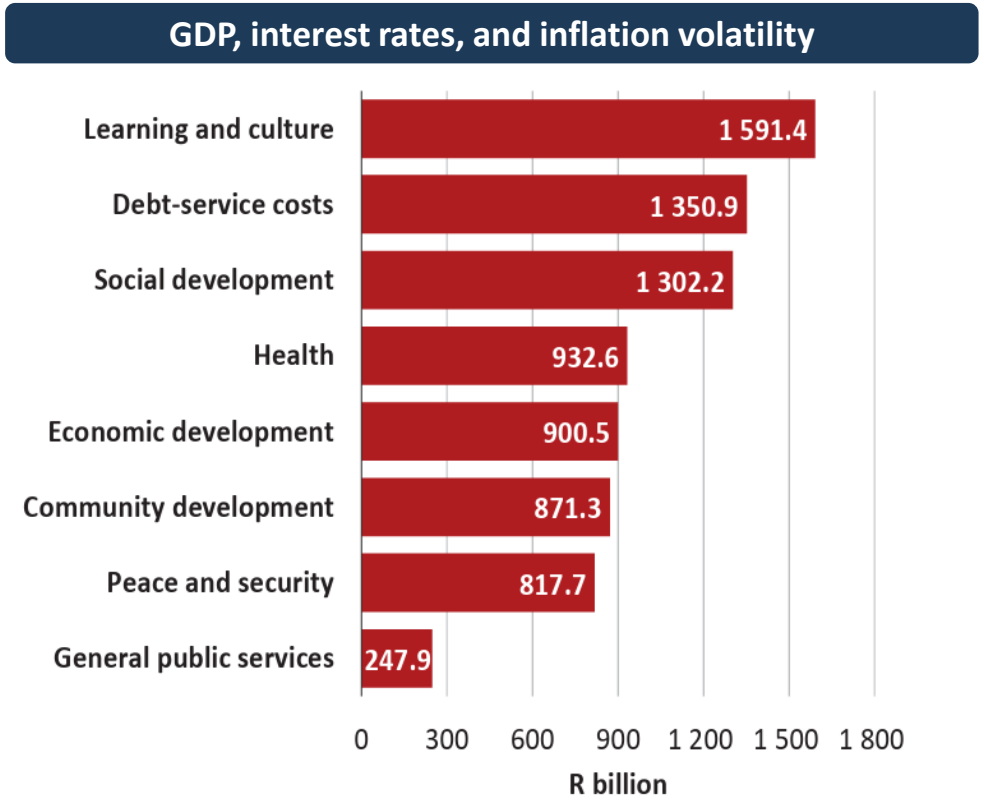


Source: National Treasury and World Bank

FIX THE FUNDAMENTALS

Maintain a clear and stable macroeconomic framework

- The key fiscal challenge is a **high level of public debt**, with more than 20% of main budget revenue being spent on debt service payments. This is **crowding out spending on infrastructure, health, education, and other growth-enhancing public investment**.
- Fiscal consolidation and a reduction in debt should be achieved through **reducing spending on inefficient or underperforming programmes** and **improving spending towards high-impact areas** such as infrastructure, social protection, health, and education.
- The recommendations of the **Targeted and Responsible Savings (TARS)** methodology should be implemented to enable spending to be redirected towards pro-growth and poverty alleviating priorities. This process will be led by the National Treasury and supported by the Presidency.
- This will require **structural changes to the budget**, including closing or consolidating public entities and programmes. This in turn will only be possible with strong buy-in from all departments.



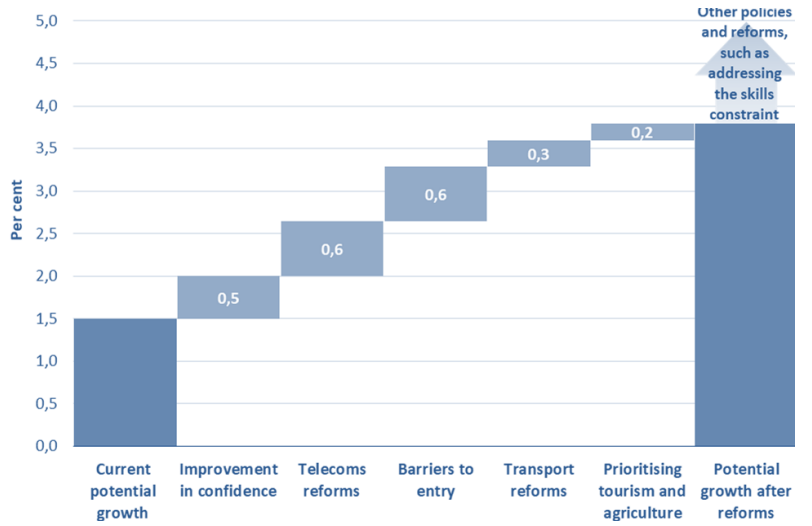
Source: 2025 Budget Review

FIX THE FUNDAMENTALS

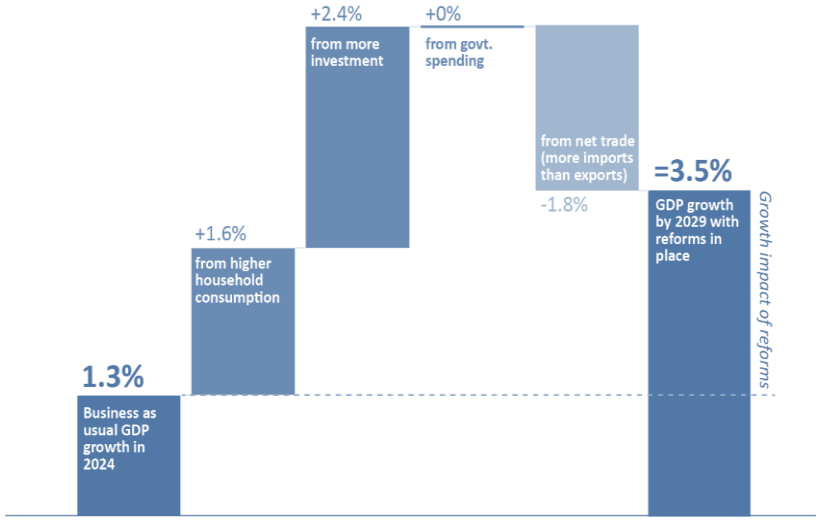
Implement economic reforms for growth

- There is a strong **consensus that economic growth is constrained by structural factors**, such as a shortfall in electricity supply; an inefficient and unreliable freight logistics system; and crime and corruption that undermines investor confidence.
- **Radical economic reform is required to address these structural constraints and create a virtuous cycle of higher confidence in the short term** (reflected by a lower risk premium and reduced borrowing costs, freeing up fiscal space) and investment in the medium term. This improves growth outcomes over the longer term.
- Economic reform aims to **reduce costs, improve efficiency, lower barriers to entry, and enable higher levels of investment** to achieve **structural transformation** of the economy.
- **Phase II of Operation Vulindlela aims to address the binding constraints on growth** through a far-reaching programme of reform.
- However, these reforms are being implemented too slowly, resulting in limited growth impact. Priority reforms need to be **accelerated and deepened** as the primary lever for growth, adopting a **"big bang" approach** as opposed to incremental change.

Impact of reform implementation on growth



Source: National Treasury



Source: Bureau for Economic Research

FIX THE FUNDAMENTALS

Implement economic reforms for growth

Key priorities for OV II

- Complete the **restructuring of Eskom**, introduce a **competitive wholesale electricity market** and enable **private investment in transmission infrastructure**
- Introduce **open access to the freight rail network** and **private sector participation in port terminals**, enabled by the vertical separation of Transnet into infrastructure and operations
- Establish a **dedicated national agency for water resources** and enable **private sector participation in water infrastructure** through the Water Partnerships Office
- Shift to a **utility model for delivery of electricity and water services in metros** and **strengthen regulation and oversight** of local government
- Introduce a new **demand-side model for housing delivery** through subsidies for ownership and rental, while **streamlining regulations to enable property development**

Growth impact

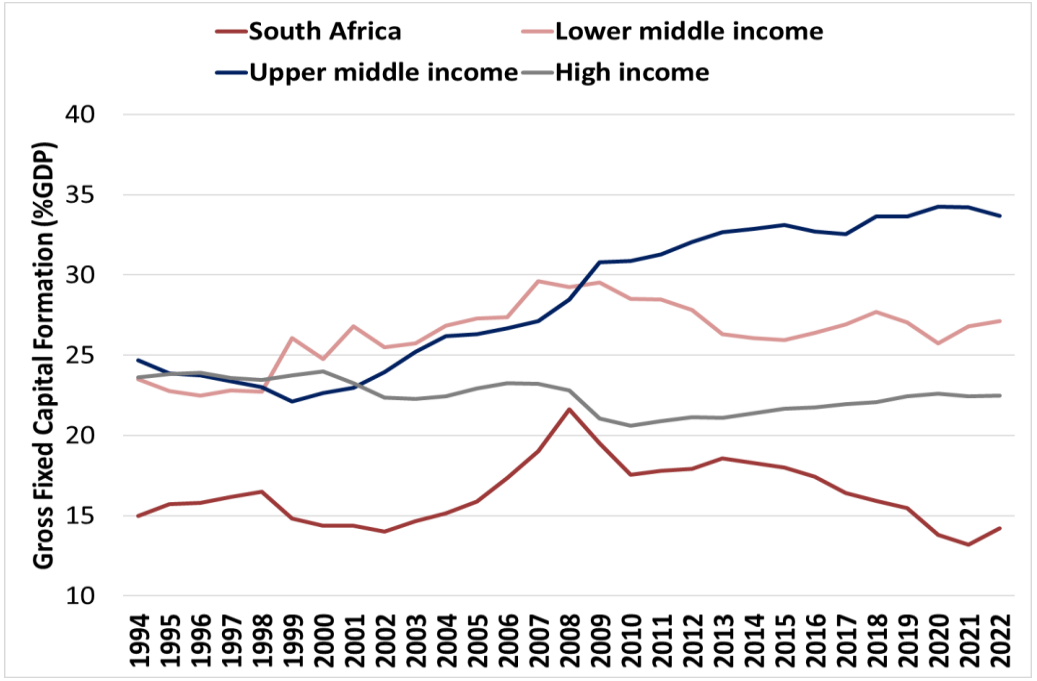
- **Massive increase in renewable energy through private investment**
- **More efficient ports and rail through competition and infrastructure upgrades**
- **Renewed investment in water infrastructure and services**
- **Improved service delivery for citizens and businesses at all levels of government**

FIX THE FUNDAMENTALS

Accelerate infrastructure investment

- Seminal growth literature positions **infrastructure as a foundational driver of long-run growth** — through its role in enhancing productivity, capital deepening, and economic coordination. Research also finds that infrastructure explains a significant share of cross-country growth differences by underpinning structural transformation and industrial upgrading.
- Infrastructure supports inclusive growth by **addressing structural barriers** to participation in the economy. Infrastructure **enhances productivity and competitiveness** by reducing logistics costs, improving reliability, and enabling scale, particularly for manufacturing, agriculture, and services.
- Well-designed infrastructure also **crowds in private investment**, not just by providing complementary inputs (like energy or roads), but by improving certainty and unlocking underutilized assets in the economy.
- **Current levels of public and private investment are significantly lower than what would be required to sustain higher levels of growth**, or even to maintain current infrastructure given maintenance and replacement costs. Our infrastructure is getting worse, rather than better, as a result of underinvestment and poor performance of SOEs.

Gross fixed capital formation (% of GDP)



Source: National Treasury analysis

FIX THE FUNDAMENTALS

Accelerate infrastructure investment

- **Public infrastructure investment:** Over the next three years, R1.03 trillion will be allocated to public infrastructure, with major allocations to roads (R402 billion), energy (R219.2 billion), and water and sanitation (R156.3 billion). The main budget adds R46.7 billion for infrastructure projects over the medium term.
- **Institutional reform for infrastructure delivery:** A single structure overseen by the National Treasury will be established during 2025/26 to coordinate state participation in project preparation and planning, public-private partnerships (PPPs), funding and credit guarantees. It will consolidate two units currently in the Government Technical Advisory Centre that coordinate PPPs and capital appraisals with the Infrastructure Fund in the DBSA.
- **Public-Private Partnerships (PPP) reform:** PPP regulations have been streamlined, reducing approval requirements for projects below R2 billion from June 2025. A clear framework is being established to receive and process unsolicited PPP proposals or bids from the private sector. Revised manuals and guidelines on PPPs will be made available to the public.
- **Budgeting and financing for infrastructure:** State-owned companies, public entities, and municipalities will fund 72.7 per cent (R748.5 billion) of total public-sector capital investment from their budgets. For the 2025 Budget cycle, the Budget Facility for Infrastructure has approved an additional nine projects with a total value of R55.5 billion, of which R15.3 billion will funded by the Facility, supporting areas such as hospital infrastructure, logistics, and water.





FIX THE FUNDAMENTALS

Five major shifts to achieve a structural break in labour market outcomes



Shift towards **enabling private sector employment** and easing regulatory constraints



Invest in **labour-intensive growth sectors** that are capable of future growth – ***digital*** and ***green***



Facilitate more **small businesses and entrepreneurs** by reducing the regulatory burden and supporting SMMEs



Shift towards **demand-led skills development** to build a productive and competitive workforce



Shift towards **lower input and transaction costs** to increase competitiveness

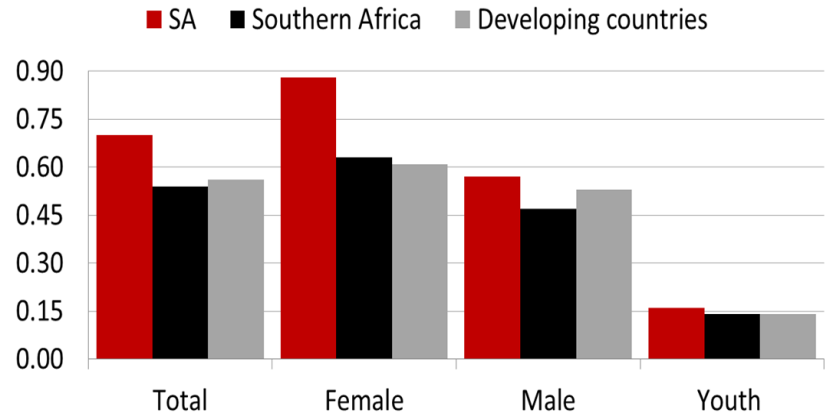
A "jobs-first" approach that supports employment creation in the private sector

FIX THE FUNDAMENTALS

Support employment, entrepreneurship and productive livelihoods

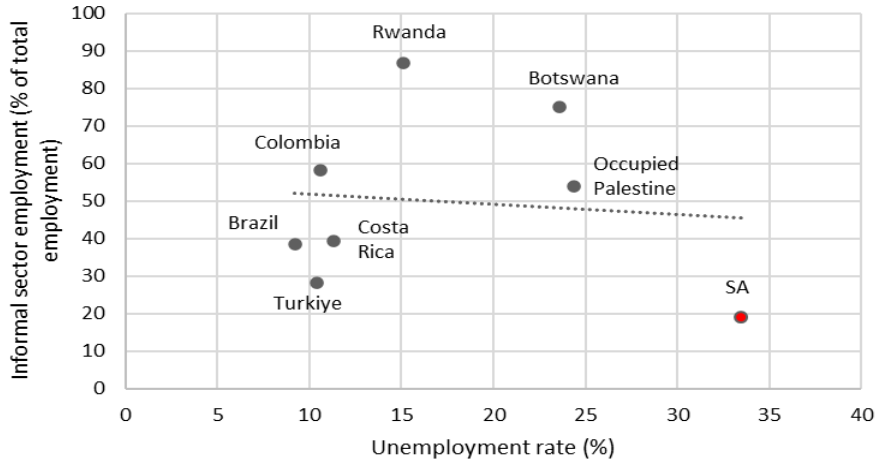
- South Africa needs rapid growth **to create jobs and support new activity, new firms, and new employment opportunities**.
- South Africa's output-employment elasticity is near the global median, at 0.70 (i.e. 1% rise in GDP = 0.7% rise in employment). **This means that when the economy grows, jobs are created.**
- However, this alone is not enough to address the unemployment challenge. **Youth employment is not as strongly linked to growth as adult employment**, implying that a specific strategy is needed.
- SA has a labour force participation rate (% of working-age population availing themselves for work) of ~60%, in line with the global average. **However, our unemployment rates are sharply higher**.
- One glaring distinction is the **comparatively smaller share of informal sector employment**. The average middle-income country has a 45:45:10 ratio of wage employed: informally employed: unemployed, whereas in South Africa this ratio is 50:16:34.
- Employment exhibits notable skills biases as the economy has shifted towards higher-skilled labour, leading to **a skills mismatch and skills deficit**. Employment gains from growth will be eroded without addressing other structural labour market reforms to **build skills, address labour market rigidities, and overcome spatial barriers**.

Employment elasticity 2007 – 2017



Source: Morén, V. & Wändal, E. (2019)

Unemployment and informality – 2022



Source: National Treasury analysis

FIX THE FUNDAMENTALS

Support employment, entrepreneurship and productive livelihoods

- Since its establishment in October 2020, **the Presidential Employment Stimulus (PES) has created earning opportunities for more than 2 million participants** through a wide range of programmes. Building on this success, public employment programmes should be **consolidated, streamlined and effectively coordinated** through the establishment of Work SA to ensure maximum impact.
- Through the Presidential Youth Employment Intervention (PYEI), a **National Pathway Management Network** (NPMN) has been established to aggregate opportunities for learning and earning in one place, with **more than 4 million young people** already registered. The use of this network should be increased across the public and private sectors to **promote inclusive hiring of youth**.
- The Social Relief of Distress Grant should be **redesigned to strengthen linkages to employment and productive opportunities, particular targeting young people**. A **single entry point should be established for all forms of support**, from social protection to active labour market policies and public employment, **underpinned by integrated data**.
- Finally, the skills system needs to shift towards producing skills linked to demand in the economy. This will require an approach – firstly to **radical overhaul of the SETA system to scale up outcomes-based funding, secondly to reform the TVET system that focus on technical training strengthen its partnership** with the private sector, thirdly a review of the **National Student Financial Aid Scheme (NSFAS)** with specific focus on funding courses that would lead to employability and lastly a review of the **Community Colleges**

Four key levers



Lever 1: Increasing inclusive hiring of excluded youth and work experience programmes



Lever 2: Expanding and enhancing public employment programmes through Work SA



Lever 3: Self-employment and enterprise though SMME and informal sector development



Lever 4: Demand-led skilling to address the labour market mismatch

FIX THE FUNDAMENTALS

Support employment, entrepreneurship and productive livelihoods

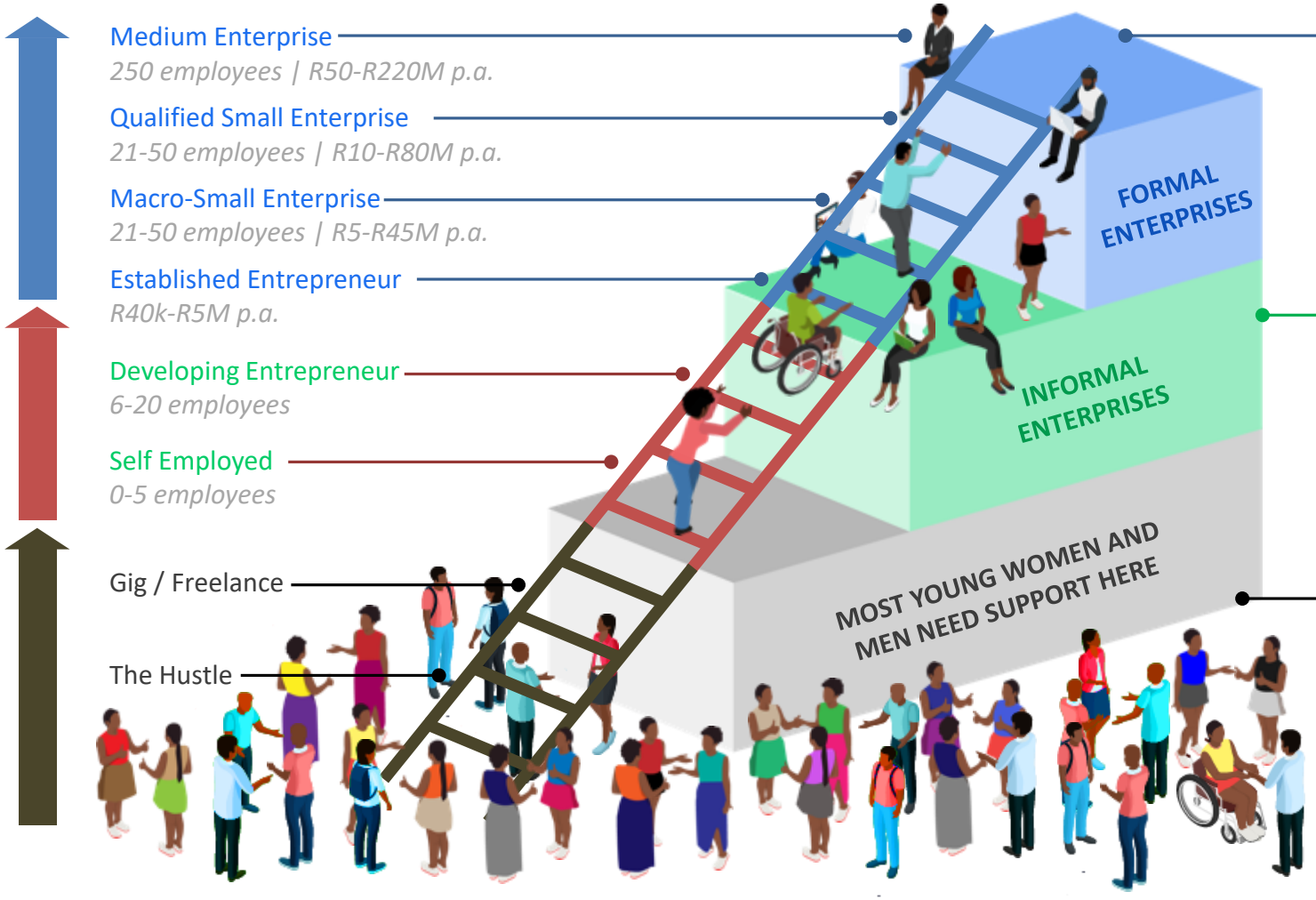
- To create a thriving start-up ecosystem, South Africa can **leverage its existing strengths** – such as high-quality broadband infrastructure, strong capital markets and a deep talent pool – by implementing changes to the exchange control and IP transfer regimes to **attract venture capital funding and incentivize start-up founders to locate their operations in the country**.
- Reform of the National Credit Act and regulations should be considered to **enable access to productive credit for SMMEs**, for example to ensure alignment between the NCA and regulations on the consideration of future revenue flow in affordability assessments.
- Support for SMMEs needs to be reoriented to ensure **greater leverage of public resources** and improved outcomes. This can be achieved by **channeling more public funding towards first-loss capital and guarantees**, partnering with banks and non-bank financial institutions.
- Unlike most developing countries, South Africa's **informal sector is heavily regulated** and suppressed by trading regulations, barriers to accessing finance and heavy-handed enforcement. Where informal activity should be thriving in both urban and rural areas, it is instead deliberately curtailed.
- Unlocking growth in informal employment would require **removing restrictions on informal trading**, including through changes to zoning and land use regulations, **reducing or removing the cost of trading permits** for informal businesses, and **expanding non-bank lending** to small businesses.





FIX THE FUNDAMENTALS

Support employment, entrepreneurship and productive livelihoods



Support for formal enterprises
Scale-up first loss capital from government to expand access to venture capital funding, as well as less restrictive labour market regulation for smaller businesses (> 50 employees)

Support for informal enterprises
Digital payments and inclusion of fintech providers to expand market access and unlock lending, together with less restrictive regulations on trading and informal activity and infrastructure/capacity building

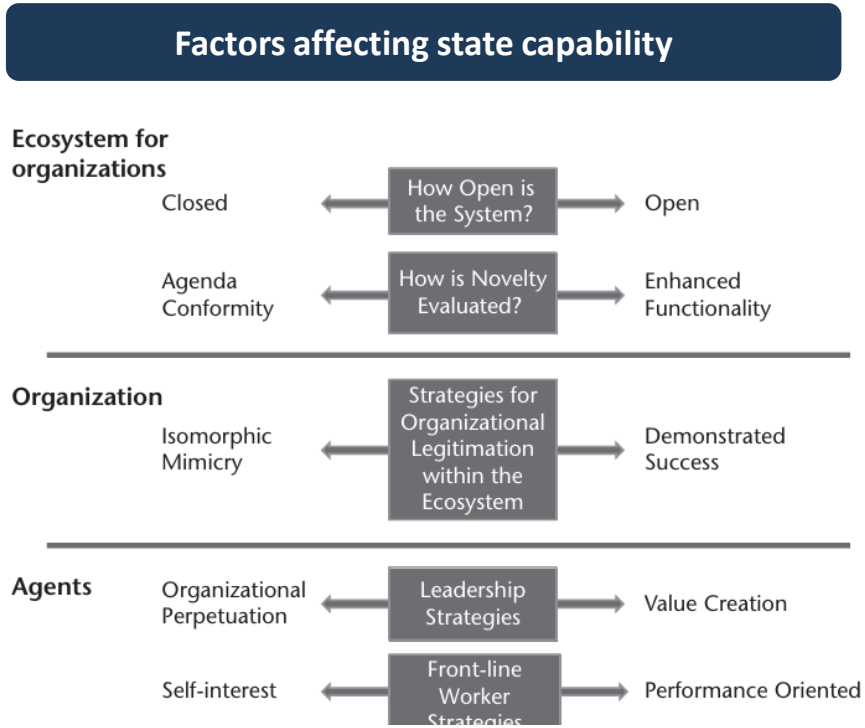
Support to "start something"
Augmented SRD Grant to provide support to grant recipients, including the option of a lump-sum payment and support to start and scale a business

Building a State that Delivers

BUILD A STATE THAT DELIVERS

Build the capability of the state to deliver on its developmental mandate

- No growth strategy will succeed without a **capable state to deliver on its objectives**. The state is held back by a **lack of technical capacity**, a **focus on process rather than outcomes**, and a **failure to reward innovation and success**.
- The cost to the economy of institutional weakness and governance failures at all levels of government is significant. The Harvard Growth Lab attributes 40% of the country's growth underperformance since the global financial crisis to **insufficient availability of critical public goods and services essential for production**.
- **Reform of state-owned enterprises** is crucial to improve public sector performance overall. This requires accelerating progress towards a **centralized ownership model** and **streamlining and consolidating the portfolio of public entities**, in line with the recommendations of PSEC.
- Rebuilding the state requires not only **replenishing the ranks of the public service with capable personnel**, but **reforming its systems and processes** to shield them from abuse. Several actions could be taken to achieve this, including:
    - **Establishing the Office of the Head of the Public Service** to manage career progression and oversight of SMS, and **introducing a more rigorous and independent appointment process** for senior officials
    - **Introducing a Graduate Recruitment Scheme** to attract skilled talent to replenish the senior management service



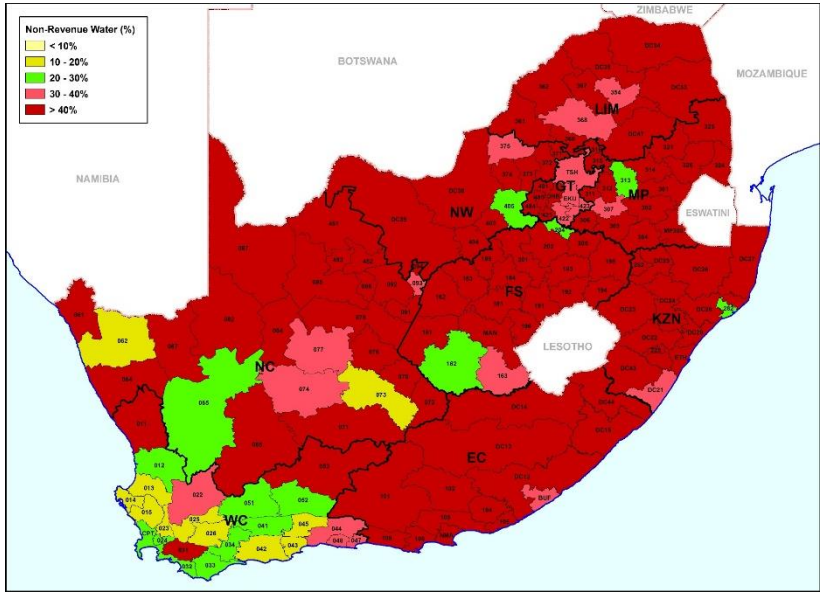
Source: Andrews, Pritchett and Woolcock (2017)

BUILD A STATE THAT DELIVERS

Strengthen local government and improve the delivery of basic services

- Municipalities across South Africa are experiencing a **financial and operational crisis**, which will continue to worsen without reform of the local government system. This crisis has its roots in **systemic challenges** such as the duplication of structures between district and local municipalities; inability to collect revenue; and misalignment between the functions devolved to municipalities and their capacity for implementation.
- These problems are exacerbated by **internal challenges** weak leadership; unstable administrations; conflictual relationships between political leadership and management; and inadequate financial management.
- Strengthening local government must be foremost about the delivery of basic services through the District Development Model (DDM).
- Operation Vulindlela Phase II has identified **four priority reforms to address the root causes of local government failure** and improve service delivery:
    - Shift to a **utility model for water and electricity services** to ensure financial and operational sustainability
    - **Standardise and professionalise the appointment of senior officials** in local government
    - **Review the institutional structure of the local government system** through an updated White Paper on Local Government
    - **Review the funding model and functions assigned to local government**, including the use of conditional grant

Results of 2024 No Drop assessment



Source: Department of Water and Sanitation

BUILD A STATE THAT DELIVERS

Harness digital transformation as a driver of growth and inclusion

- Developing countries are increasingly **using digital technology to transform government** and improve service delivery.
- A stack grounded in strong **shared infrastructure** enables government to:
  - Improve the reach, quality and impact of **government services**
  - **Reduce inefficiency**, waste and leakage in service delivery
  - **Stimulate economic growth** through innovation
- South Africa ranks **103 out of 199 countries** in the World Bank's GovTech Maturity index, measuring public sector digital transformation, and **65 out of 193** in the UN's 2022 eGovernment index.
- The Cabinet-approved **Digital Transformation Roadmap** outlines a coordinated set of actions to implement digital public infrastructure, focusing on:
  - Implementing **digital identity** for secure and remote access to services
  - Introducing **digital payments** for cost-effective and dignified transactions
  - Establishing a **data exchange** for evidence-based policymaking and service delivery
  - Creating **trusted digital channels** for accessing information and services
- Continued roll-out of the SA connect programme that is aligned with the Digital Transformation Roadmap to ensure we continue to improve access to rural communities



MYMZANSI

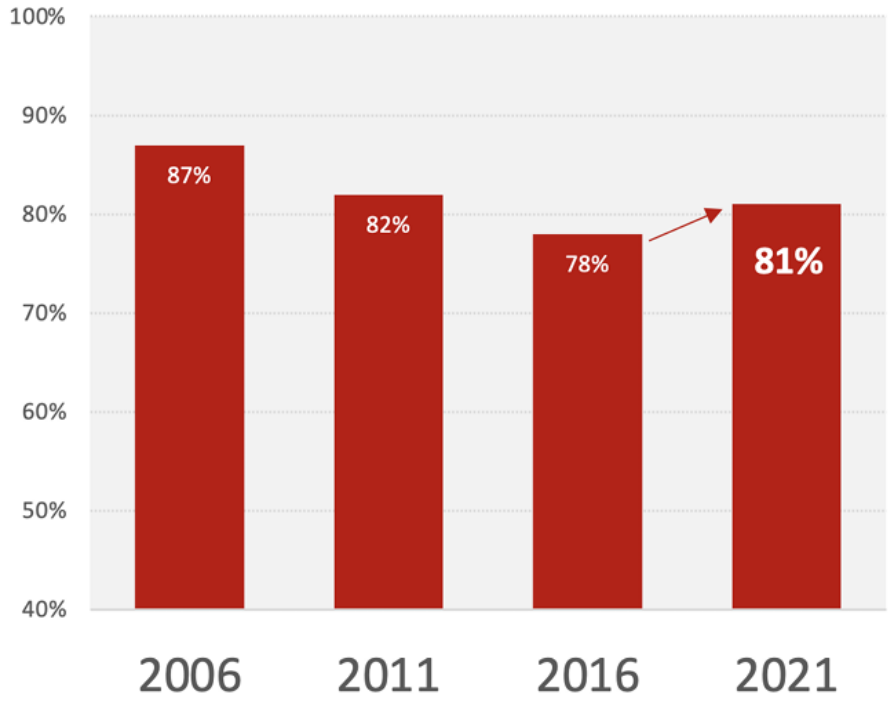
ONE PERSON, ONE GOVERNMENT, ONE TOUCH

BUILD A STATE THAT DELIVERS

Fix the basic education system and improve learning outcomes

- According to the latest Progress in International Reading Literacy Study (PIRLS), **81% of Grade 4 learners cannot read for meaning** in any of our 11 languages. **61% of Grade 5 learners cannot add or subtract whole numbers**, do not understand multiplication by one-digit numbers and cannot solve simple word problems. In the long run, the **poor quality of education outcomes will be the primary constraint on growth**, productivity and improvements in equality.
- A **comprehensive reading plan** is needed for primary school learners drawing on the recommendations of the Early Grade Reading Study led by DBE. The study showed that in schools that received a package of basic, cost-effective reading interventions, reading outcomes **improved by 40% in just two years**.
- In addition, the school environment must be conducive to education, with **adequate classroom infrastructure, sanitation facilities, clean water and nutritious food**.
- **Investments in early childhood development (ECD)** will yield significant returns through improved learning outcomes in later years, while supporting child nutrition and health. An additional R10 billion over the medium term will **expand ECD access to 700,000 children** up to the age of five years old. Achieving universal access to ECD will require scaling up the ECD centre registration drive to expand access to the ECD subsidy.

% of Grade 4 learners who cannot read in any language



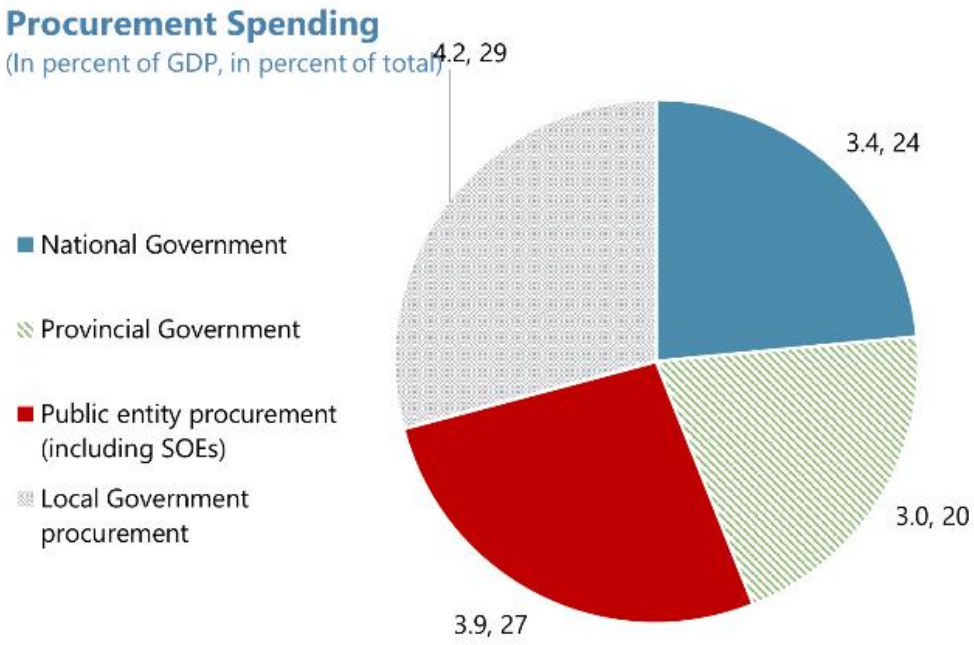
Source: PIRLS assessment, 2023

BUILD A STATE THAT DELIVERS

Ensure efficiency and transparency in procurement

- The **ability of the state to procure goods and services efficiently**, and at the lowest possible cost, while meeting developmental objectives is key to improving the performance of public institutions.
- To **address widespread issues of misconduct and corruption**, the public procurement system is in need of substantive reform. This is the recommendation made by the Zondo Commission reports, emphasising the need to address governance issues in State Owned Enterprises.
- To this end, the Presidential State-Owned Enterprises Council has recommended that **a fit-for-purpose procurement regime be developed for state-owned entities** that enables them to operate with greater agility, while ensuring effective safeguards.
- At the same time, the National Treasury is preparing for implementation of the Public Procurement Act, which will **introduce a new overarching framework for the procurement system** and **establish a new Public Procurement Office**.
- The Act also provides for **a Code of Conduct setting out ethical standards for procurement** and **protection for Accounting Officers from liability for actions taken in good faith**.
- Through the Digital Transformation Roadmap, digitization will be used to **enhance transparency** of procurement data and **improve outcomes**.

Procurement spending by category (2024/25)



Source: National Treasury

BUILD A STATE THAT DELIVERS

An effective response to Crime and Corruption

The existential threat posed to South African society by organised crime requires immediate responses. The entrenched nature of criminality impacting South Africa's people, economy, and democratic institutions cannot be fixed overnight – a short-term responses can alleviate some of the worst impacts and lay a foundation for a continuous, sustainable fight against organised crime and related corruption

Activity	Groups
Extortion	Construction Mafia (Business Forums, Cape Gangs); Water Tanker Mafia; Transport Mafia (taxi associations, politically-connected persons)
Critical Infrastructure Crime	Copper cable theft and associated dealers and buyers; Sabotage of rail, fuel, electricity, and water infrastructure; Attacks on trucks
Firearms	Cape Gangs, corrupt police officials; unscrupulous private security companies, foreign criminal groups
Organised corruption	Mafia-style groups (infiltration of SAPS by the 28s, for example); politically-exposed persons (Tender Mafia)
Illegal mining and extractives trade	Famo gangs from Lesotho perpetrating extreme violence; mid-level dealers from Zimbabwe and Mozambique connecting local sellers to international markets and corrupt companies and duplicitous foreign buyers of critical minerals

Crime and Corruption

~10% **of GDP**

Lost annually from impact of crime (World Bank Report, Nov. 2023)

By reducing crime we can

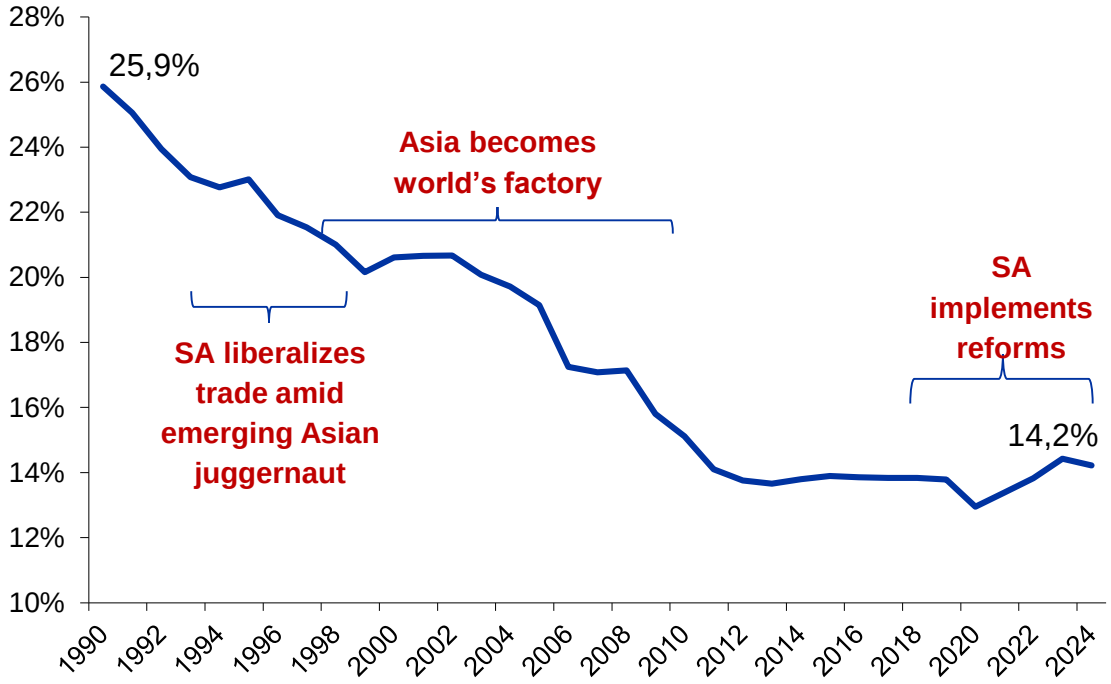
- Increased **foreign investment**
- Strengthened **financial sector**
- Reduced **transaction costs**
- Increased **societal confidence**
- Improved **credit ratings**
- Enhanced Govt **investigative capability**

Forward Looking Industrial Policy

PURSUE NEW AREAS OF GROWTH

Implement a forward-looking industrial policy that creates jobs

- An **immediate priority is to stabilize manufacturing**, in particular the steel ferroalloy, automotive and pharmaceutical sectors. While the manufacturing sector has stabilized since 2012 there is a **risk of further deindustrialization** if we do not address some of the immediate challenges.
- For the **steel sector:**
  - A just transition in Newcastle as it is unlikely to avoid closure in long run
  - Clarity on proposals for where to produce special steels and how to manage the transition
  - More efficient measures to hold down domestic price of both scrap metal and billets, including the promotion of direct reduced iron (DRI)
  - Measures to reduce the price of iron ore for domestic processing to cost-plus; improve the regional supply and processing of coking coal; gradually move steel production toward greener energy and support recapitalisation of Vanderbijlpark



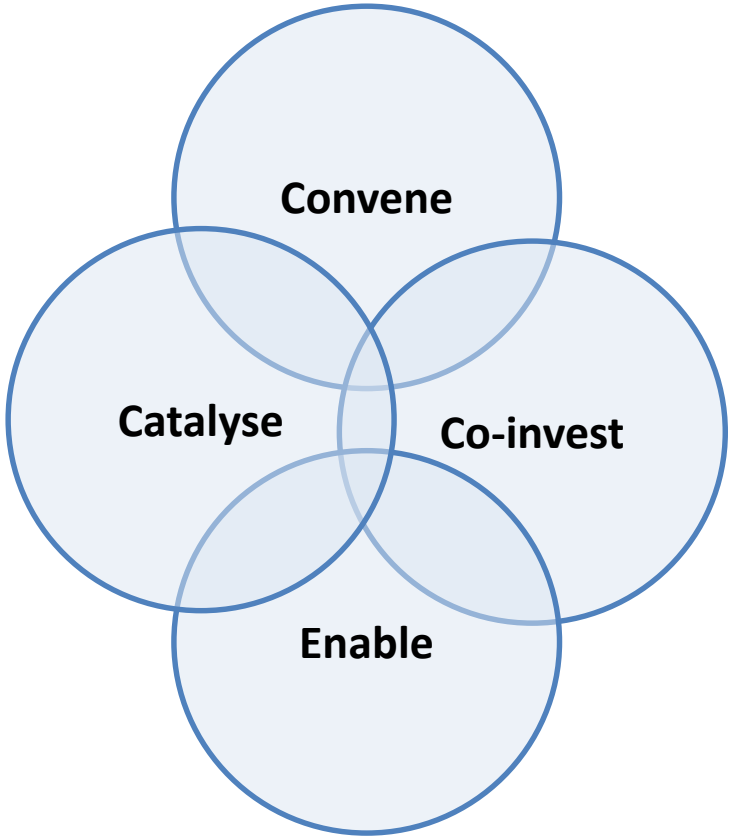
- For **ferro-chrome:**
  - A **chrome ore export tax** of 25% to keep domestic prices lower than international prices (SA is dominant player)
  - **Preferential energy rates** with Eskom but do not penalize firms who want to build own generation capacity (allow for hybrid)
  - Industrial partnerships to (a) improve energy efficiency in ferrochrome smelters (b) provide support for upstream suppliers including coking coal and (c) secure a pricing commitment by ferrochrome firms to pass the benefits onto stainless steel
  - Ongoing industrial finance, ensuring linkages to other policies such as SEZs and facilitation to bring new investors into ferrochrome

PURSUE NEW AREAS OF GROWTH

Implement a forward-looking industrial policy that creates jobs

- Skills-biased technological change has made the traditional path of manufacturing-led growth untenable. In South Africa, the **manufacturing sector's contribution to GDP has declined from 21% in 1994 to 14% by 2023**. We risk becoming stuck in a middle-income trap, where legacy industries, significant barriers to entry and exit, and high market concentration hamper economic diversification and growth.
- A new approach to industrial policy is needed to **target labour-intensive sectors with a high potential for future growth**, where South Africa can be globally competitive. This requires **protecting and sustaining our existing industrial base**, while **expanding into new areas of opportunity, new products and services**, with higher levels of diversification and productivity.
- We have a **narrow window of opportunity** to respond to technological changes and disruptions caused by artificial intelligence and the global shift towards renewable energy sources, before other countries overtake us.
- The core aim must be to **accelerate growth in value added, exports, investment and consequently tax revenues**. This in turn requires a combination of **sector-specific interventions** (such as the automotive masterplan) and **cross-cutting policy tools** that aim to remove barriers to – and directly enable – private sector investment in growth-generating industrial capabilities.
- Compliance with existing **environmental standards is a pre-condition for competitiveness** and credibility in future-facing industrial policy.

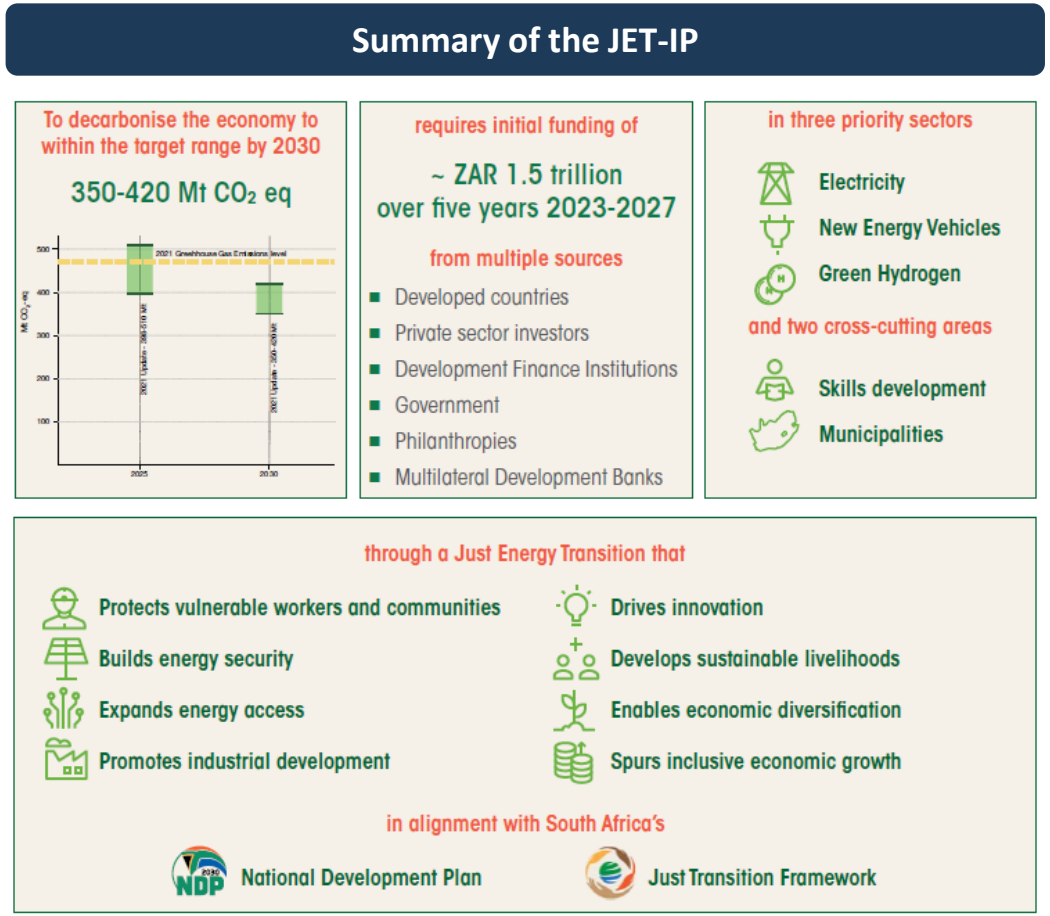
The role of the state in driving investment



PURSUE NEW AREAS OF GROWTH

Position South Africa as a leading player in the green economy

- South Africa has among the best **solar and wind resources** in the world, providing a powerful source of comparative advantage. A cheap supply of electricity would support a wide range of production activities, while benefitting from low carbon intensity.
- By transitioning our energy system to renewable energy sources, South Africa can create a **green manufacturing sector** centred on the export of hydrogen and associated products (such as green ammonia, green kerosene and green steel), electric vehicles and renewable energy components.
- **The global renewable energy market is expected to reach $1.9 trillion by 2030**, showcasing significant growth potential (International Energy Agency). The **South African Renewable Energy Masterplan** outlines a set of interventions to ensure that SA captures a growing share of this market.
- The **Critical Minerals and Metals Strategy** aims to promote exploration, production and beneficiation of these minerals to boost investment and exports.
- The **Just Energy Transition Investment Plan (JET-IP) and other policy directives** outlines a clear plan to transition to a low-carbon economy with R1.5 trillion of investment over five years. These plans need to be **fully implemented to achieve the economic benefits of green growth**.



PURSUE NEW AREAS OF GROWTH

Implement a forward-looking industrial policy that creates jobs

- Sectors should be targeted based on their **employment and output multipliers**, as well as their **potential for future growth** given technological change.
- Since 2013, the **agriculture and construction sectors demonstrate the highest domestic output multipliers**, followed by transport and utilities. For every R1 million of additional construction output, output in the economy expands by R1.9 million due to direct and indirect effects.
- Over the same period, the **construction, trade, tourism and agriculture sectors showed the largest employment multiplier effect**. For every additional R1 million spent on construction, total employment rises by four jobs.

Agriculture	Digital services	Tourism	Mining	Autos and machinery
Opening access to new export markets and scaling up finance to commercial and small-scale farmers including security of tenure under Traditional Authorities. Pursuing regulatory reform and providing industrial support to enable hemp & cannabis, energy crops, and next-generation agri-business.	Expanding incentives for digital services and building digital infrastructure such as data centres, while growing the export of financial and professional services to the rest of the continent and globally	Establishing a National Air Access Programme to activate new tourist flight routes, implementing the Electronic Travel Authorisation system, and establishing eco-tourism zones in Biodiversity Offset Areas	Expanding investment in exploration, production and beneficiation, increasing output, and implementing the critical minerals strategy to exploit strategic endowment of critical minerals such as platinum, manganese, chrome ore and vanadium	Transitioning the automotive manufacturing industry to new energy vehicles through appropriate incentives, EV charging infrastructure and other support, and expanding production of machinery for the mining industry where South Africa is competitive

PURSUE NEW AREAS OF GROWTH

Implement a forward-looking industrial policy that creates jobs

In addition to sector-specific strategies to support these priority sectors, existing tools of **industrial and competition policy** need to be improved alongside **changes to the regulatory environment** to enable investment.

- **Streamlining the regulatory environment:** Developing an Omnibus Industrial Development & Investment Acceleration Act as a fast-tracking mechanism to grant exemptions and rapid approvals for projects meeting specified criteria. The Act would also target regulatory bottlenecks identified by the DTIC.
- **Eliminating business friction:** Transitioning to fully digital framework for clearance of regulations and permits, creating a single company digital identity and integrating this into a digital stack for businesses of all sizes.
- **Reviewing the incentive framework:** Reorienting existing incentives to promote export volumes and link incentives more closely to performance on key measures.
- **Lowering the cost of finance:** Leveraging DFI enhancement and a credit guarantee scheme for mega-investment as well as a Strategic State Equity Initiative to rebalance capital allocation from lending to strategic equity investments, positioning the IDC as a frontier-seeking equity investor.
- **Supporting export growth:** Implementing a comprehensive and well-targeted export promotion and export finance framework to support exporters with financing, capacity building, certification, and trade facilitation.



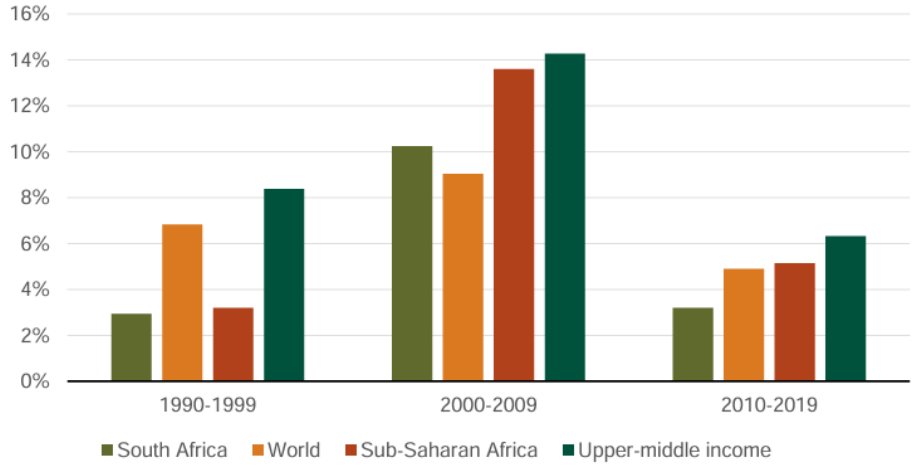


PURSUE NEW AREAS OF GROWTH

Use trade policy to support export resilience and growth

- **Disruptions to the global trading system** threaten South Africa's exports directly (for those sectors with high exposure to the United States market) and indirectly (as other countries seek to recalibrate their trade relationships and find new markets for their products).
- In addition to securing a mutually beneficial trade agreement with the United States that would protect key exports, two key strategies should be pursued aggressively and simultaneously:
    - Government should **review trade agreements and pursue strategic partnerships to secure new markets for South African products**, with a focus on fast-growing consumer markets in Brazil, India and elsewhere in Asia as well as advanced economies which have traditionally imported mineral commodities.
    - South Africa will also play a leading role in supporting the **implementation of the AfCFTA** in order to grow South Africa's exports to the rest of the continent. The agreement is a significant opportunity to **propel the growth of services, agriculture, and other jobs-rich sectors in which South Africa has a comparative advantage** for the much larger African market.
- Navigating the increased complexity of trade policy will require strong and dedicated capability within the state. The **institutional architecture of our trade policy and negotiation capacity should be reviewed** to achieve this.

Export growth



Share of global exports



PURSUE NEW AREAS OF GROWTH THROUGH MISSION-ORIENTED INITIATIVES

Use trade policy to support export resilience and growth



- **The "butterfly approach"** prioritises the implementation of the AfCFTA and unlocking opportunities in the rest of Africa as the foundation of our global engagements, with the 'wings' representing additional export initiatives in the rest of the world focusing on leading and established markets as well as new and emerging market opportunities. **The initiatives which underpin this include:**
  - Increasing capacity of South Africa's enterprises to export, including skills for exporting
  - Penetrating African export markets beyond SADC
  - Increasing the value of South Africa's investments in the rest of Africa
  - Promotion and marketing of South African goods and services exports globally
  - Economic diplomacy and the professionalization of the foreign service
  - Resolving trade barriers faced by South African businesses
  - Improved trade finance instruments
  - Improved utilisation of existing trade instruments

Diversification target markets

Egypt, Nigeria, Kenya, Tunisia, Algeria, Morocco, Ghana, Tanzania, Senegal, Mauritius, China, Germany, South Korea, Japan, Mexico, Australia, France, Thailand, Italy, Netherlands, Saudi Arabia, Singapore, India, United Kingdom

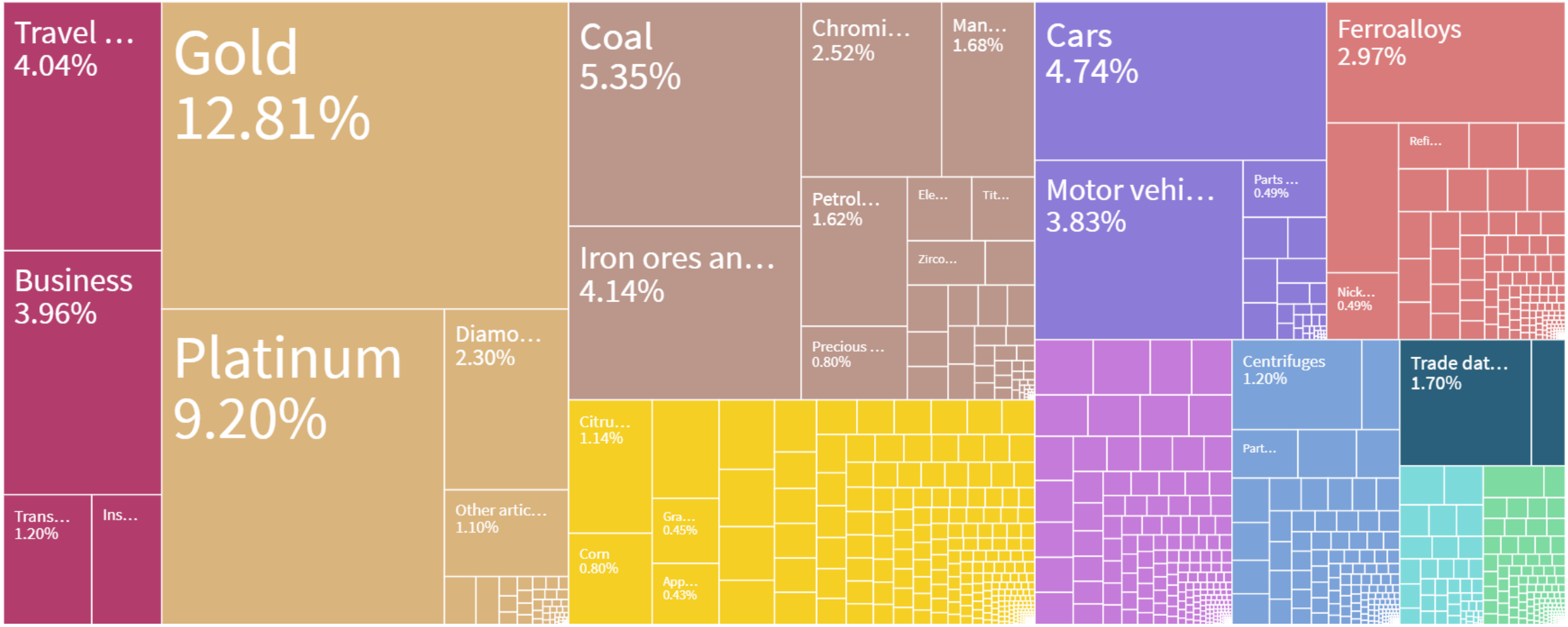
Expanded trade initiatives

China, Japan. India, South Korea (PLUS ASEAN and TURKEY) Vietnam, Turkey, Indonesia, Thailand , Malaysia

PURSUE NEW AREAS OF GROWTH

Using trade policy to support export resilience and growth

Composition of SA exports to the rest of the world, 2023



PURSUE NEW AREAS OF GROWTH

Invest in research and development to boost innovation

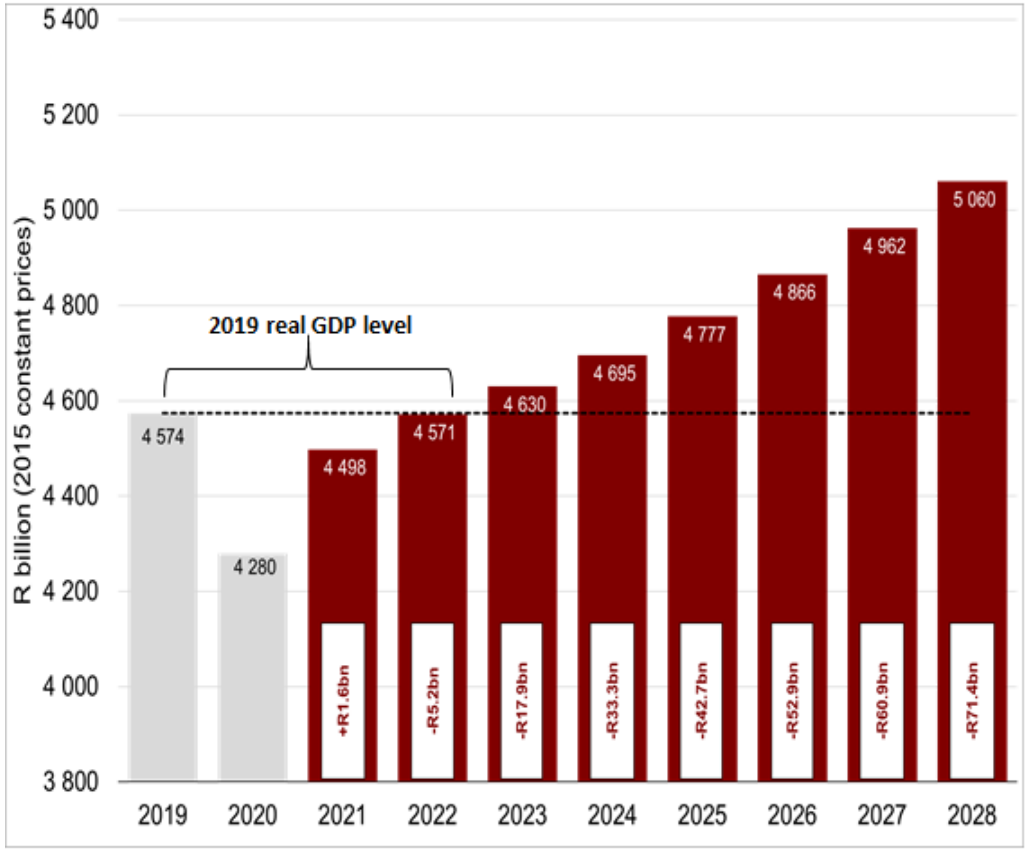
- **Innovation is crucial to achieving higher economic growth**, contributing to higher economic complexity and diversification while improving productivity and dissemination of technology.
- The Medium-Term Development Plan targets an increase in expenditure on research and development **from 0.61% to 1.5% of GDP**. This is crucial to sustain and expand institutional capabilities in cutting-edge science and to commercialise home-grown innovations.
- Key priorities to support this target include:
    - Increasing public and private **funding to higher education institutions,** including through **research chairs, centres of excellence, and national and international partnerships**
    - Building capabilities in **space science** through Earth observation and the space infrastructure hub, the **SKA programme**, and local industrial development in **satellite technology and innovation**
    - Creating an environment for widespread **commercialisation of battery, fuel cell, renewable & net zero carbon technology** based on publicly funded intellectual property rights
    - **Supporting local R&D** through the **Innovation Fund, CSIR and Technology Innovation Agency**



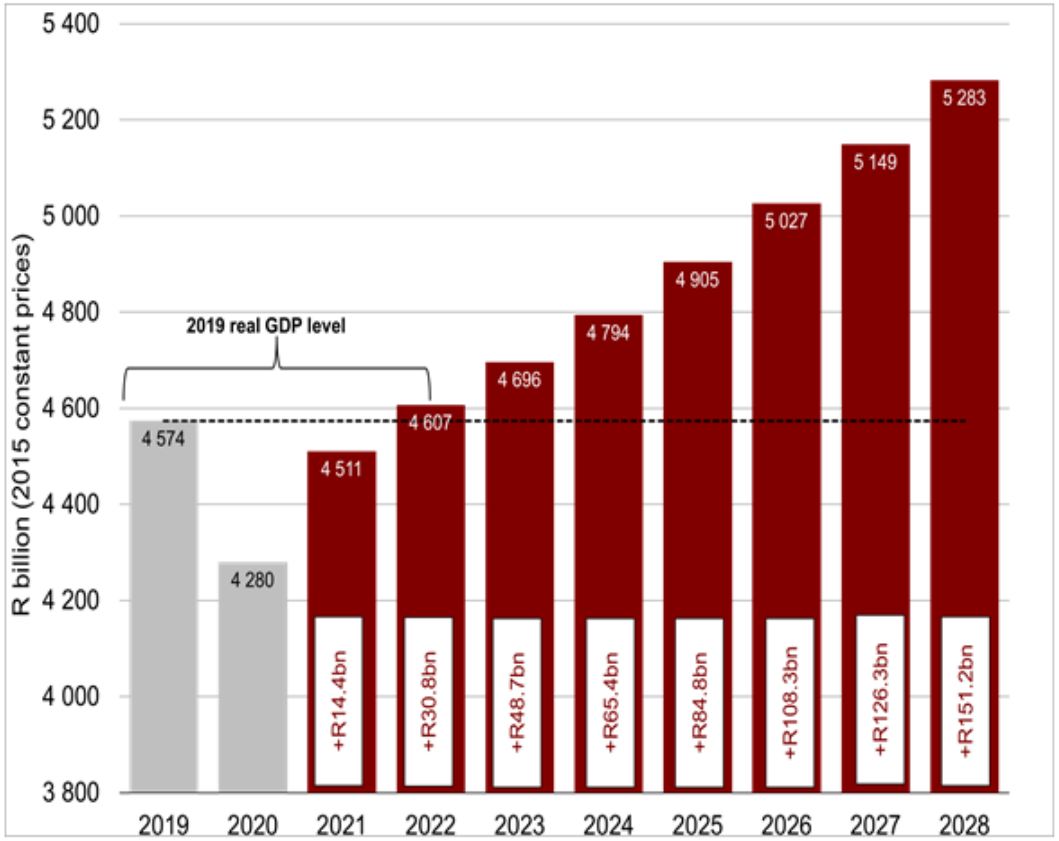


Our choices can create a vicious or virtuous cycle

Fiscal slippage



Reform



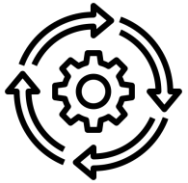
CONFIDENTIAL

A mission-oriented approach to implementation to achieve a higher growth trajectory



High-Level Leadership

The strategy will be overseen by a dedicated team coordinated by the Presidency, National Treasury and DTIC ensuring focused leadership.



Growth Task Force

A committee with representatives from all impacted departments will meet regularly to ensure coordination and monitor progress – attendees to have mandates to commit on behalf of their department/agency



Performance Management

Introducing and using best practice performance management approaches



Private Sector Collaboration

Private sector representatives will join committee meetings at regular intervals to tackle bottlenecks

Goals and metrics

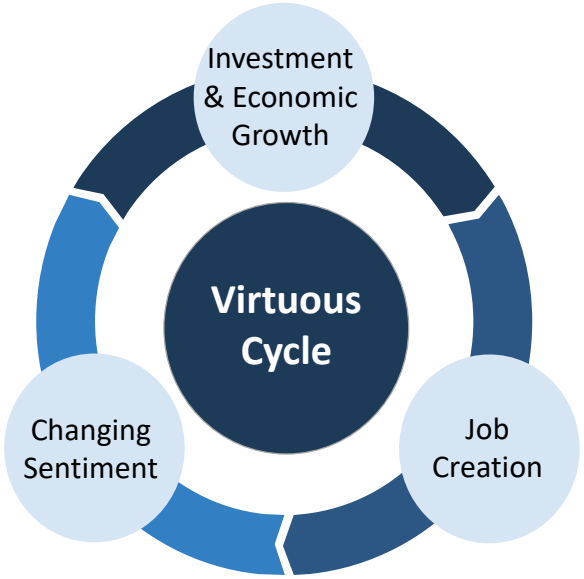
METRIC	BASELINE 2025	GOAL RANGE 2030	KEY INSTRUMENTS/ENABLERS
Growth in Gross Domestic Product (%)	**1.4%**	**3.5% +**	All
Gross fixed capital formation (% GDP)	**14%**	**20 – 25%**	Operation Vulindlela reforms Infrastructure financing and delivery reforms Industrial Development and Investment Acceleration Act Reducing the regulatory burden Lowering the cost of electricity and logistics Increased access to affordable finance
Employment growth	**1%**	**Average 4.2% (required to achieve 50% employment ratio by 2035)**	Inclusive hiring and work-seeker support Public employment Support for SMMEs and self-employment Demand-led skills development
Sovereign risk premium (reduction from 2025 baseline)	**-**	**5% reduction**	Operation Vulindlela reforms Successful implementation of the fiscal strategy and implementation of other growth enhancing measures
Exports share of GDP (%)	**33%**	**40 – 60%**	South African Export Credit and Capacity Agency Strategic equity investments Opening new export markets and implementing AfCFTA Interventions to support growth sectors (agriculture, tourism, services)
Education outcomes	**5%**	**50% of measured countries**	Investments in early childhood development (ECD) Comprehensive reading plan adequate classroom infrastructure, sanitation facilities, clean water and nutritious food.

We need to sustain momentum of the reform agenda to achieve more rapid and inclusive growth

Reform agenda needs to be accelerated on three fronts

- Economic reform to fix the fundamentals and remove the constraints on growth
- Public service reform to build a state that delivers and implement plans
- Industrial policy reform to pursue new areas of growth using the levers of the state

Virtuous cycle leading to growth and job creation



Key objective

Drive more rapid and inclusive growth over the next five years by accelerating reform

Implementation Plan

	Priority Actions	Timeframe	Implementation Responsibility	Enablers
Logistics	Introduce open access to the freight rail network for Third Party Operators	September 2025	Department of Transport	First phase, completed with successful TOC's negotiating final terms of slot sales
	Finalise the 2025/26 Network Statement and access charges	October 2025	Department of Transport	Consultation by IRERC completed and with Network Statement approved by Minister and issued by TRIM
	Private Sector Participation in rail and port terminals	To commence November 2025	Department of Transport	RFI's successfully completed and analysed with all RFP's to be commencing November 2025
Visa	Launch an Electronic Travel Authorisation System and enable online applications for work visas	September 2025	Department of Home Affairs	Final phase of testing with implementation for tourist visas commencing, additional visa categories will be added subsequently
Electricity	Complete the restructuring of Eskom	April 2026	Department of Electricity and Energy	Fully independent TSO established. Distribution subsidiary established and operational
	Finalise a competitive wholesale electricity market	April 2026	Department of Electricity and Energy	Finalise the South African Wholesale Electricity Market code
	Enable private investment in transmission infrastructure	October 2025	Department of Electricity and Energy	RFP issued by end of October 2025
	Enable rapid private investment in electricity generation	September 2025	Department of Electricity and Energy	Transparent and fair grid access rules finalized by NERSA Wheeling allowed for third parties across the grid without penalizing third parties where municipalities owe debt to Eskom

	Priority Actions	Timeframe	Implementation Responsibility	Enablers
Water	Establish the NWRIA and enable private sector participation in water infrastructure through the Water Partnerships Office	May 2026	Department of Water and Sanitation	Establish and fully operationalize the NWRIA to promote investment in the water sector
	The amendments to the Water Services Act to separate water service authorities (WSAs) from Water Services Providers (WSP) and introduce a licensing requirement for WSP	Ongoing	Department of Water and Sanitation	Adoption of the Amended Bill by Parliament
	Implementation of the National Water and Sanitation five (5) point turnaround plan	Ongoing	Department of Water and Sanitation	98% water assurance through expand access to water and sanitation from 90% to 100%; and improve water reliability from 68% to 80% y 2030

	Priority Actions	Timeframe	Implementation Responsibility	Enablers
Human Settlement	Introduce a new demand-side model for housing delivery through subsidies for ownership and rental	November 2025	Department of Human Settlements	Model and design to be developed in partnership with the banks
	Streamline regulations to enable property development	November 2025	Department of Human Settlements	Review of regulations to enable private investment is finalised
	Shift the First Home Finance formula to allow greater access to bank finance for home ownership	November 2025	Department of Human Settlements	Redesign the current subsidy formulae to promote access to bank financing
Infrastructure	Identify and remove obstacles that delay infrastructure and secondary regulatory bottlenecks through an omnibus bill	December 2025	Department of Trade, Industry and Competition	Omnibus bill finalized and submitted to Cabinet
	Institutional reform for infrastructure delivery though public private partnerships	October 2025 (MTBPS)	National Treasury	Framework published to receive and process unsolicited PPP proposals or bids from the private sector; Revised manuals and guidelines on PPPs available
	Amend legislation to empower government to combat illegal land invasions and occupations where land has been earmarked for infrastructure and social development	December 2025	Department of Rural Development and Land Affairs	Proposed amendments developed and tabled to Cluster and Cabinet
	Identify and implement critical bulk infrastructure investment projects across the eight metros	October 2025	ISA, COGTA National Treasury and Presidency	Develop a bulk investment and delivery plan to support investment of interventions under the Presidential Working Group

	Priority Actions	Timeframe	Implementation Responsibility	Enablers
Social Relief of Distress	Improve the design of the SRD Grant and link the grant to employment and productive activity	February 2026	Department of Social Development	Redesign finalised by DSD, Presidency and NT before budget 2026/27
Youth and Public Employment Programmes	Institutionalise key programmes of the Presidential Employment Stimulus and streamline public employment programmes through Work SA	February 2026	All	Funding Secured of the Presidential Employment Stimulus over the MTEF Coordination of Public Employment Programmes finalised
	Establish the SA Youth Trust and expand inclusive hiring through SA Youth in the public and private sectors	November 2025	Department of Employment and Labour, Department of Women Youth and People with Disabilities and Presidency	Conclusion of the MOU and formal establishment of the Trust
Post School Education and Training	Conduct a SETA review to support reforms in the skills development system to improve outcomes and shift towards a demand-led approach	November 2025	Department of Higher Education and Training	SETAs to maintain direct and sustained links to business, industry and the relevant sectors; Competent individuals to be appointed to SETA boards and have solid track record in labour and industry; SETAs to link the training that they provide to the list of scarce skills and occupations in high demand.
	Review PSET funding to TVET's with a greater focus on throughput of technical skills and enhanced partnership with private support for TVET's	December 2025	Department of Higher Education	Review finalised and recommendation submitted to Cabinet
	Review the National Student Financial Aid Scheme (NSFAS) with specific focus on funding courses that would lead to employability	November 2025	Department of Higher Education	Conduct review and submit proposal to Cabinet for approval and implementation

	Priority Actions	Timeframe	Implementation Responsibility	Enablers
SMME and Enterprise Development	Introduce first-loss finance and/or guarantees to expand funding for SMMEs through private funds	October 2025	National Treasury and DSBD	NT, DSBD and Presidency to engage on finalising a proposal
	Adjust the Employment Tax Incentive to increase uptake by smaller businesses	February 2026	National Treasury	NT and Presidency to finalise recommendations to increase take-up of ETI
	Consolidate and streamline government funding for SMMEs and cut red tape for informal enterprises	October 2025	Department of Small Business Development	Finalise proposal to be submitted to Cabinet for approval

		Priority Actions	Timeframe	Implementation Responsibility	Enablers
Building a Capable State	Building Public Service Capability	Establish the Office of the Head of the Public Service and introduce an independent appointment process for senior officials	April 2026	Presidency	Cabinet approval of process in the appointment of senior officials to the public service that is aligned with the PSC
		Introduce a Graduate Recruitment Scheme to attract skilled talent for the senior management service coupled with the establishment of a Public Service Scholarship which is linked to key roles in the public service and that will benefit students from both TVETs and universities	November 2025	Department of Public Service and Administration and Presidency	Proposed scheme developed by the PSC and approved by Cabinet
	SOE Ownership	Reform the SOE ownership and governance model and streamline and consolidate public entities as part of a comprehensive spending review	April 2026	Department of Planning, Monitoring and Evaluation, Presidency and National Treasury	SOE model finalised and adopted by Cabinet Spending reviews completed on consolidation of public entities
	Digital Transformation	Implementation the Digital Transformation Roadmap and support a digital identity system, digital payments, and fully functional Gov.za service platform a) Digital Identity System b) Digital Payments c) Gov.za service platforms	Implementation commenced	Presidency and DCDT Department of Home Affairs National Treasury and SARB DCDT	Establish and fully operationalise the Digital Service Unit (DSU) to support implementation Funding secured to implement Roadmap
		DCDT to issue a policy directive to lower entry barriers and expand competition in broadband and ensure universal obligations are upheld	November 2025	DCDT	ICASA to issue and implement policy direction

		Priority Actions	Timeframe	Implementation Responsibility	Enablers
Building a Capable State	Basic Education	Improving the quality of literacy and numeracy outcomes in the Foundation Phase (Grades R-3):	December 2025	Department of Basic Education	Providing increased access to early learning opportunities for all our 3- to 5-year-olds by over one million children Mass registration drive to formalise ECD programmes, aligned with the National Curriculum Framework for ECD and supported by newly developed learning and teaching support materials. Prioritising the professional development of ECD practitioners and their integration into the basic education system. Prioritising the resourcing of ECD centres, particularly in rural and underserved communities. Target of 10 000 ECD centres to be registered in the 2025/26 financial year.
		Expanding access to quality Early Child Development (ECD)	November 2025	Department of Basic Education	Reform proposal with implementation plans submitted to Cabinet that includes: intensifying support for teacher training, Funza Lushaka Bursary Scheme prioritises students who want to pursue a teaching career in the Foundation Phase, reviewing the Post Provisioning Norms to ensure that they account for our drive to achieve universal access to quality Grade R, prioritising updates to the National Catalogue of Learning and Teaching Support Materials for the Foundation Phase, expanding access to Mother Tongue-based Bilingual Education (MTbBE), particularly in the early years and expanding systemic testing in the Foundation Phase, particularly in Grade 3, to test for literacy and numeracy
	Procurement	Introduce mechanisms to improve procurement transparency in order to strengthen procurement outcomes and monitoring.	April 2026	National Treasury	Finalisation of publicly available and consolidated procurement dashboards
		Develop a fit-for-purpose procurement system for Schedule 2 entities in terms of the Public Procurement Act	December 2025	National Treasury	Promulgation of the Public Procurement Act and regulations

	Priority Actions	Timeframe	Implementation Responsibility	Enablers
Building a Capable State Safety and Security	Design and implement a focused execution plan by the security cluster on organised crime with efforts on a small group of offenders and crimes and deliver quick arrests and prosecutions to gain momentum	November 2025	SAPS and Department of Justice	Focus on a limited set of priorities that will build momentum and yield quick results that includes; - Extortion - Critical Infrastructure - Firearms - Organised Corruption - Illegal mining and extractives
	Develop the Organised Crime threat assessment and ensure the completion of the National Strategy Against Organised Crime	November 2025	Security Cluster	First draft to be presented to Cabinet in November
	Identification of 20 of South Africa's police stations reporting the most crimes of an organised nature for immediate resource deployment and tactical support	October 2025	SAPS	Top 20 SAPS Police Stations identified, operation plans agreed, and teams deployed for support
	Establish a specialized court to urgently deal with litigation related to oil and gas exploration as well as investment in critical infrastructure	December 2025	Department of Justice	Court will be established to assist in fast-tracking and resolving legal disputes speedily

	Priority Actions	Timeframe	Implementation Responsibility	Enablers
Building a Capable State Local Government	Stabilise the performance of key metros including Johannesburg, eThekwini, Nelson Mandela Bay and Buffalo City	February 2026	Presidency / National Treasury / COGTA	National local government team providing support to turn around plans where metro's are in distress
	Review the institutional structure of the local government system through an updated White Paper on Local Government	April 2026	COGTA	White Paper recommendations adopted by Cabinet and legislative changes enacted to give effect to policy changes
	Review the funding model and functions assigned to local government, including the use of conditional grants	April 2026	National Treasury	Review published
	Shift to a utility model for water and electricity services to ensure financial and operational sustainability	Commenced July 2025	National Treasury	Trading Services reform implemented with all metro's included
	Standardise and professionalise the appointment of senior officials in local government	November 2025	Department of Public Service and Administration / National Treasury / COGTA	Public Service Commission to recommend process towards the finalization of the appointments of senior officials Adoption of the Public Service Amendment Bill by parliament

	Priority Actions	Timeframe	Implementation Responsibility	Enablers
Spatial	Embed the NSDF 2050 as the spatial backbone for all growth and jobs interventions.	Ongoing	Department of Rural Development and Land Reform	
Industrial Policy and Sector Master Plans	Implement immediate steps to prevent further job losses and deindustrialization in the steel, ferro-chrome, auto and pharmaceutical sectors	October 2025	Department of Trade, Industry and Competition	Action Plan presented to Cabinet for approval
	Focused industrial policy strategy that consolidates existing sectors and pursues new growth sectors by providing enablers for growth and reduce barriers to investment	October 2025	Department of Trade, Industry and Competition	Finalise revised Industrial Policy Strategy adopted by Cabinet Revise industrial incentives and eliminate all barriers to private sector investment Strengthen enforcement of environmental standards to protect existing industries and unlock green investment
	Implementation of sector masterplans in labour- intensive sectors such as Tourism, Agriculture, Green Economy (SAREM and JETIP) , Digital and Tech, Social Economy (ECD), Cannabis and Hemp, Oceans Economy Pharmaceuticals and Global Business Services	Ongoing	Department of Trade, Industry and Competition and relevant departments	Implement a centre of government coordination and delivery approach supported by a Technical Coordinating Office to expedite priority interventions in critical sectors Support localization measures in particularly for the pharmaceutical sector
	Competition Commission to approve mergers and acquisitions within 3 – 6 months of applications being submitted (Phase 1 and 2)	November 2025	Department of Trade, Industry and Competition	DTIC to present proposal to Cabinet that reduces the ‘real time’ for approval of all mergers and acquisitions considered by the Competition Commission

	Priority Actions	Timeframe	Implementation Responsibility	Enablers
Industrial Policy and Sector Master Plans	Implementation of sector masterplans in labour- intensive sectors such as Tourism, Agriculture, Green Economy (SAREM and JETIP) , Digital and Tech, Social Economy (ECD), Cannabis and Hemp, Oceans Economy and Global Business Services	Ongoing	Department of Trade, Industry and Competition	Implement a centre of government coordination and delivery approach supported by a Technical Coordinating Office to expedite priority interventions in critical sectors
	Agriculture Master Plan: Pilot a means and needs based funding models for job creation and finance for smallholder farmers Support informal agri-trading; expand access to productive credit for smallholders and co-ops Shift from localisation mandates to export-led incentives Implement Public-Private Partnerships through Joint Investment Vehicles, Regulatory Modernisation and Risk-sharing Mechanisms:	December 2025	Department of Agriculture	Proposal developed with implementation and presented to Cabinet for approval
	Tourism Master Plan: Implement the five pillars of the Tourism Partnership Growth Plan that includes job creation and skills development; ease of access (Establishing Air Access Programme); co-ordinated destination marketing, safety and security; and infrastructure and product development Implement a focus strategy on sports, arts and culture in reviving and promoting arts and cultural events, hosting world-Class festivals, support the development of creative industries, promoting our culture and heritage	Ongoing	Department of Tourism and Department of Sports Arts and Culture	

	Priority Actions	Timeframe	Implementation Responsibility	Enablers
Mining and upstream oil and Gas	Implementation of Critical Minerals and Metals Strategy to promote exploration, production and beneficiation of these minerals to boost investment and exports	March 2026	Department of Mineral and Petroleum Resources	Critical Minerals Strategy has been finalised Expansion of private electricity generation to promote beneficiation
Science and innovation	Implement and transform South African Venture Capital (VC) industry in support of local technology enterprises	November 2025	Department of Science and Innvoation	Develop Fund of Funds (FoFs) investment thesis and Mandate and present proposal and implementation plan to Cabinet
	Scale early-stage Venture capital (VC) financing in South Africa to enhance the commercialisation of locally developed deep tech and IP	November 2025	Department of Science and Innvoation	DSTI investment secured to establish a new VC Fund of Funds Support for new and first-time VC fund managers Proposal submitted to Cabinet for approval and implementation
Trade	Develop and implement the necessary actions to access new technologies and new markets especially in response to tariff threats and the need to diversity exports	October 2025	Department of Trade, Industry and Competition	Review trade agreements, including the introduction of bilateral investment treaties Establish strategic partnerships to secure new markets for South African products
	Review international trade infrastructure by re-purposing embassies into trade missions with clear targets for trade opportunities	October 2025	DTIC and DIRCO	Implement mechanism to target export opportunities
	Co-ordinate the identification of new market opportunities across the globe by establishing a trade task team that reports directly into the Presidency comprising ministries of DTIC, Agriculture and Minerals to better	Immediate	Presidency, DTIC, Agriculture and Minerals	Develop and implement new market strategy for diversification of exports

Thank You