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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO.: 3667

Mr S G Mwali (MK) to ask the Minister of Trade, Industry and Competition:

With reference to the presentation of his department to the Standing Committee on Appropriations on the 2026 Appropriation Bill on 2 June 2026, wherein it was highlighted that the total expenditure of his department will marginally decrease from R11,1 billion in the 2025-26 financial year to R10,9 billion in 2028-29 financial year, while several key programmes such as the Film and TV Incentive, Global Business Services and Automotive Investment Scheme are described as critically underfunded and/or facing significant funding pressure, what (a) mechanisms has the National Treasury put in place to reconcile the growing demand for industrial incentives with the overall downward expenditure trend, given the specified fiscal constraints and (b) criteria will guide future reprioritisation within the baseline of the National Treasury?NW3874E

REPLY:

(a) The 2026 MTEF was prepared within a constrained fiscal environment, requiring departments to absorb funding pressures within existing baselines.

National Treasury has emphasised the need for departments to address funding pressures through reprioritisation, improved spending efficiency and the reallocation of resources towards high-impact programmes. The department has sought to manage funding pressures in oversubscribed incentive programmes, including the Film and Television Production Incentive, Global Business Services and the

Automotive Investment Scheme, through strategic reprioritisation within its baseline and engagements with National Treasury during the budget process.

(b) In line with the 2027 MTEF Guidelines issued by National Treasury, future reprioritisation decisions will be guided by government priorities and informed by evidence-based assessments of programme performance and impact. Consideration will be given to factors such as a programme's contribution to economic growth and employment, value for money, implementation readiness, expenditure performance, and alignment with the Medium-Term Development Plan.

The department will continue to assess the effectiveness of its incentive programmes to ensure that available resources are directed towards initiatives that deliver the greatest economic and developmental impact. Programmes that demonstrate strong demand, measurable outcomes and alignment with national priorities will continue to be prioritised within the available fiscal resources.

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