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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 5166

Ms S Mosikatsi (ANC) to ask the Minister of Trade, Industry and Competition:

Given his tabling of R130,6 billion for the medium-term budget which is anchored in decarbonisation, diversification and digitalisation, what are the envisaged key milestones in the next 18 months in terms of progress in the implementation of the strategy? NW5573E

REPLY

The Industrial Development Strategy (IDS) sets out Government's approach towards industrialisation and is informed by the policy priorities of the Government of National Unity and that of the Seventh Administration. It is also informed by the long-term vision of the National Development Plan (NDP) and is aligned with the Medium-Term Development Plan (MTDP) – Strategic Priority 1: Drive Inclusive Growth and Job Creation.

It provides the instruments and sectoral interventions necessary to drive structural transformation, expand productive capacity, and support inclusive and sustainable economic growth. It aims to recreate large-scale labour absorption, stabilise value addition, grow exports, and deepen technological capability. Manufacturing and mining-linked industries remain essential anchors of productivity and foreign exchange.

Decarbonisation, Diversification and Digitalisation, referred to as the '3Ds', are the three thrusts that are seen as critical for driving South Africa's industrial growth and transformation.

The strategy leverages global demand for critical minerals, renewable energy, and green hydrogen while expanding trade within Africa and key international markets.

Digitalisation supports this transition by advancing infrastructure and technologies like artificial intelligence, internet of things, cloud services, and data centres.

It also prioritises a focused set of sectors to drive industrialisation. It aims to protect existing industries like steel, automotive, and mining while building future growth in agro-processing, the digital, and green economy. It also targets sectors that support economic sovereignty (health and aerospace) and job creation, especially for youth, such as tourism and global business services. Overall, it balances strengthening traditional industries with developing new growth areas.

The IDS seeks to calibrate the instruments available to government by reviewing and refining existing industrial development measures to support the prevailing policy stance. These include, inter alia, tariffs, tax incentives, standards and compulsory specifications, sectoral Master Plans, and Special Economic Zones (SEZs).

The IDS implementation plan, which is being reviewed periodically, requires the whole-of-government intervention with short-, medium-, and long-term actions that have been prepared across critical enablers and sectors, and will leverage existing coordinating structures to track and monitor progress.

To reiterate, as articulated in the Portfolio Committee on Trade, Industry and Competition meeting on 04 August 2026, the implementation of the IDS will focus on, amongst others, the following:

- establishing the proposed Ministerial Council and government secretariat to strengthen whole-of-government coordination;
- implementing targeted measures to support priority sectors such as steel, automotive, critical minerals and health manufacturing;
- advancing beneficiation, localisation and export diversification;

- reviewing and aligning tariffs, tax incentives, standards, SEZs and other industrial policy instruments;
- strengthening technology, innovation and R&D commercialisation;
- addressing key constraints such as logistics, electricity, water and port efficiency;
- mobilising public and private sources of industrial finance; and
- establishing mechanisms to monitor implementation and measurable industrial outcomes.

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