



the dtic Performance Report

**Presentation to the Portfolio
Committee on Trade, Industry and
Competition**

**Fourth Quarter 2024/2025
Accounting Period**

10 June 2025



the dtic

Department
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

the dtic - together, growing the economy

the dtic Customer Contact Centre: 0861 843 384

the dtic Website: www.thedtic.gov.za



GLOBAL ECONOMIC GROWTH (1)



- ❑ Global Gross Domestic Product (GDP) growth continues to slow and appears to be stabilising at pre-COVID 19 levels of 3.3 to 3.6% growth.
- ❑ Although inflation was off its peak levels in 2024, inflation declined more slowly than expected as Central Banks responded to inflation that arose from both supply-side shocks as well as demand-side pressures especially in the United States.
- ❑ Consequently, global GDP in 2024 grew by a modest 3.3%, having grown by 3.5% in 2023.
- ❑ In addition, the outlook for 2025 has weakened significantly as trade tensions increase and the conflicts in the Ukraine and Palestine worsen.
- ❑ The table and Figure 1 (next slide) show that in 2024, India was the only economy of significant scale that grew by more than 6%, with most large advanced economies growing by 0-3% and emerging markets by 3-6%.
- ❑ By the end of the 2024/25 Financial Year, the global outlook had weakened considerably and global growth forecasts were materially downgraded as unprecedented international relations and trade shocks emerged from the new administration in the US.
- ❑ The IMF now forecasts GDP growth for 2025 and 2026 at just 2.8% and 3% respectively.

The WEO April '25 projections

| y-o-y % | Actual | Forecast | | |
|--------------------|--------|----------|------|------|
| | 2024 | 2025 | 2026 | 2030 |
| World GDP (PPP*) | 3.3 | 2.8 | 3.0 | 3.1 |
| G7 countries | 1.8 | 1.4 | 1.5 | 1.7 |
| US | 2.8 | 1.8 | 1.7 | 2.1 |
| Eurozone ** | 0.9 | 0.8 | 1.2 | 1.1 |
| United Kingdom | 1.1 | 1.1 | 1.4 | 1.4 |
| Germany | -0.2 | 0.0 | 0.9 | 1.9 |
| Japan | 0.1 | 0.6 | 0.6 | 0.5 |
| Emerging countries | 4.3 | 3.7 | 3.9 | 4.0 |
| China | 5.0 | 4.0 | 4.0 | 4.5 |
| India | 6.5 | 6.2 | 6.3 | 6.5 |
| Brazil | 3.4 | 2.0 | 2.0 | 2.2 |
| Russia | 4.1 | 1.5 | 0.9 | 1.2 |
| Sub-Saharan Africa | 4.0 | 3.8 | 4.2 | 4.5 |
| Nigeria | 3.4 | 3.0 | 2.7 | 3.0 |
| South Africa | 0.6 | 1.0 | 1.3 | 1.6 |

Source: IMF, World Economic Outlook (April 2025)

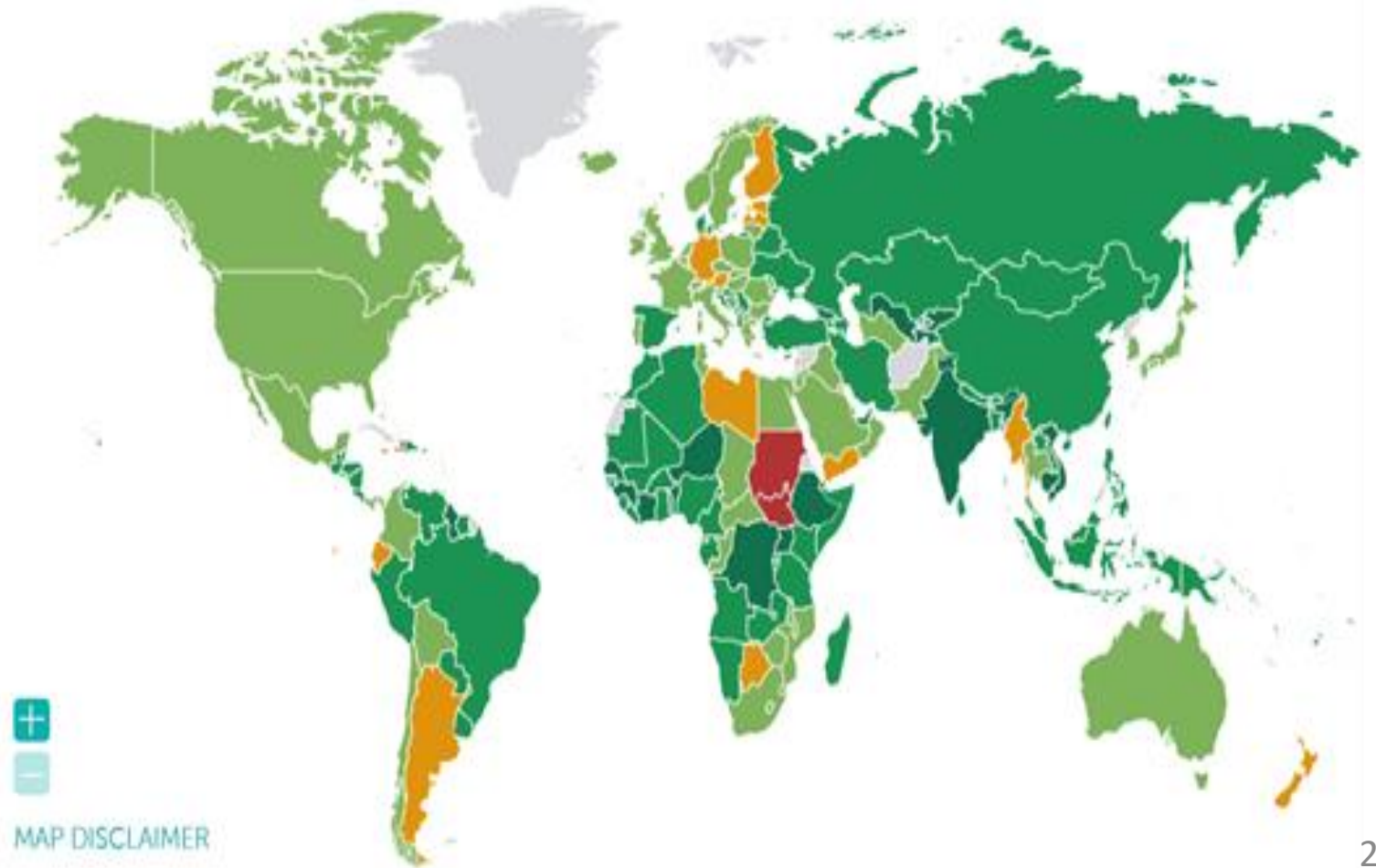
*Purchasing Power Parity; **20 Countries that use the euro currency

GLOBAL ECONOMIC GROWTH (2)



Figure 1: GDP Growth 2024

6% or more 3% - 6% 0% - 3% -3% - 0 less than -3% no data



MAP DISCLAIMER

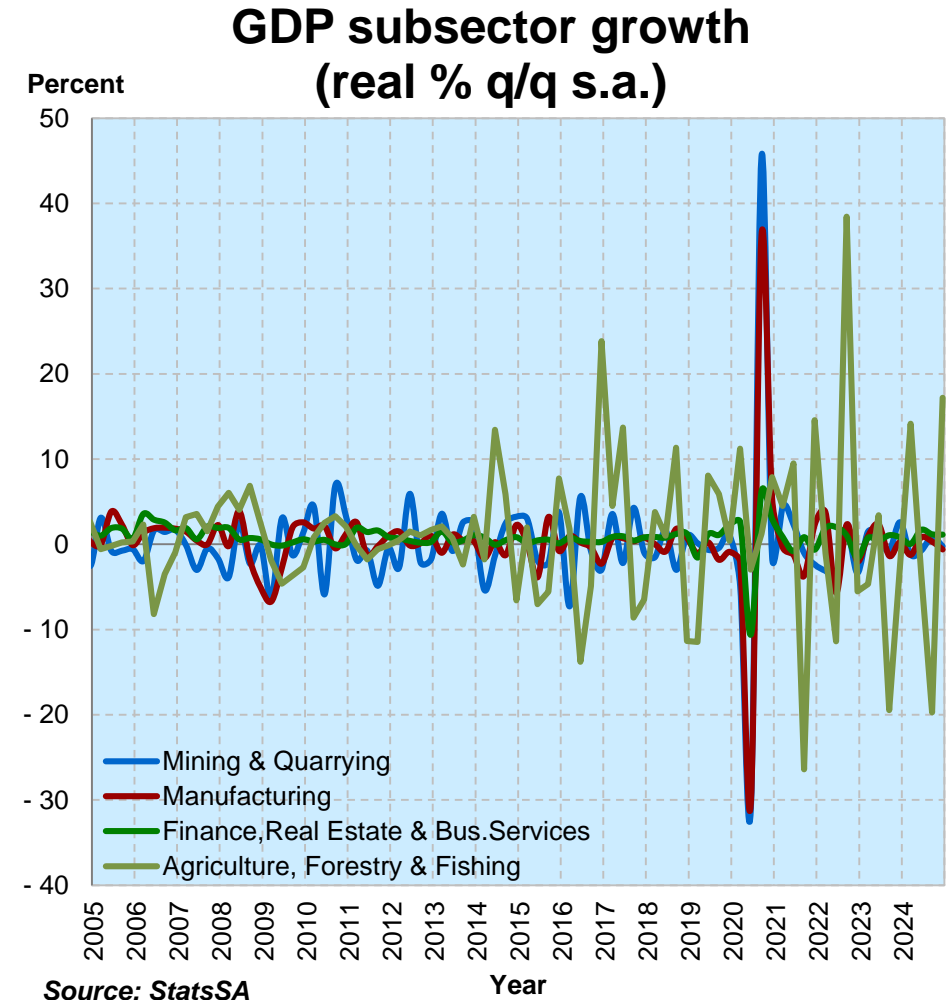
❑ Sub-Saharan Africa's growth is expected to slow slightly from 4.0% in 2024 to 3.8% in 2025. However, Nigeria's growth forecast is lowered by 0.2 percentage points (pp) for 2025 and 0.3pp for 2026 because of lower oil prices.

❑ Given South Africa's exposure to the global economy in terms of commodity exports to Asia and manufactured exports to the US and EU, it is likely that the global growth slowdown will affect South Africa disproportionately and indeed the IMF has revised down South Africa's growth for 2025 and 2026 by 0.5pp and 0.3pp respectively.

Source: International Monetary Fund (April 2025)

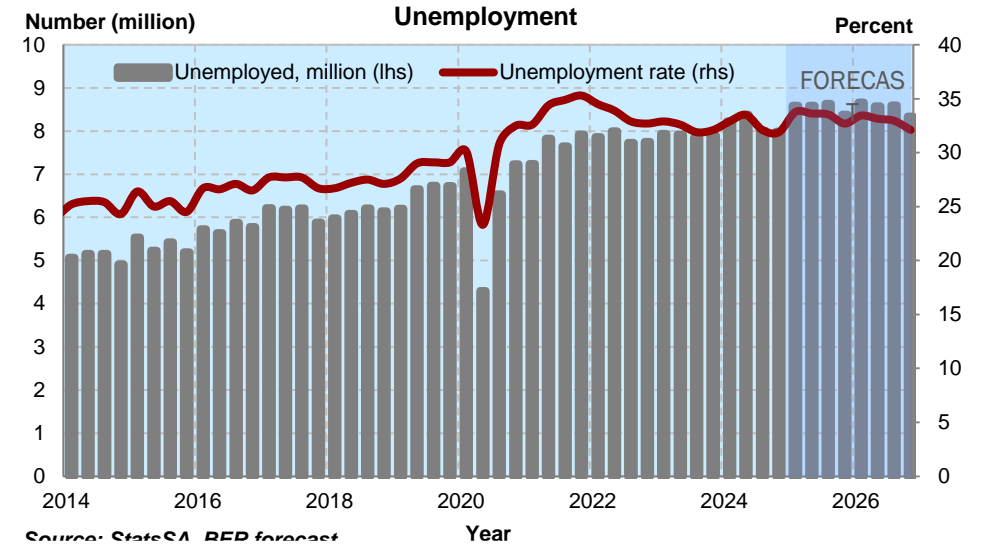
SA ECONOMY AVOIDS RECESSION

- ❑ The South African economy continued to face a range of binding constraints which held back economic growth.
- ❑ These constraints include energy supply challenges, inefficiencies in the freight and logistics sector, and a rising cost of doing business in South Africa at least in part due to failing local government services.
- ❑ The SA GDP growth rate accelerated to 0.6% q-o-q (sa) in 2024Q4, from -0.1% (revised) in Q3.
- ❑ Full-year growth for 2024 came in at 0.6%; the BER expects about 1.5% growth in 2025.
 - The largest positive contributions to GDP in Q4 came from agriculture, transport and trade.
 - The agriculture sector provided the biggest lift to GDP, expanding by 17.2% q-o-q (adding 0.4% pts).
 - This was followed by finance (+1.1% q-o-q) and trade (+1.4% q-o-q) which contributed 0.3 and 0.2% pts respectively.
 - These were counteracted by declines of 1% (-0.1% pts) and 0.6% (-0.1% pts) for transport and manufacturing respectively.
- ❑ Real gross fixed capital formation (GFCF), a broad indicator of investment in the country contracted by 0.7% q-o-q in Q4, following an expansion of 0.3% q-o-q in Q3. This contributed -0.1% pts to growth in Q4.



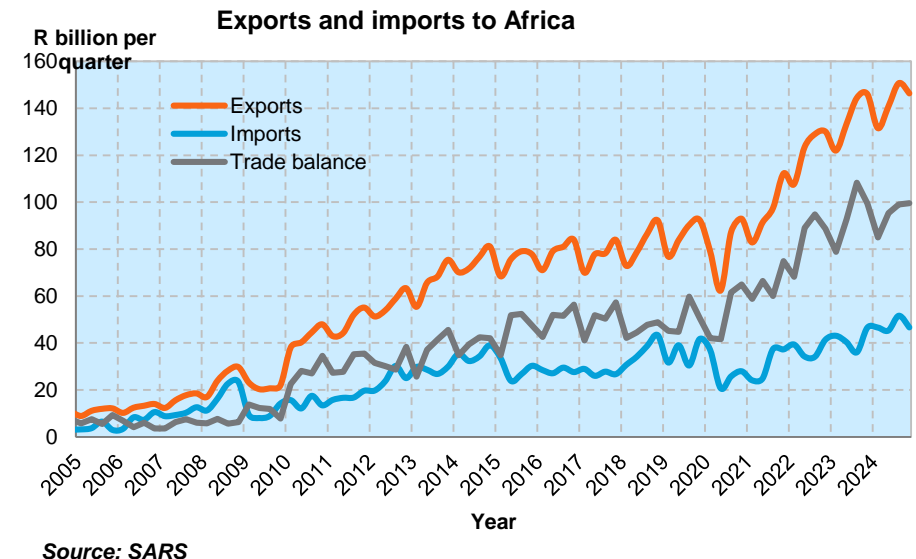
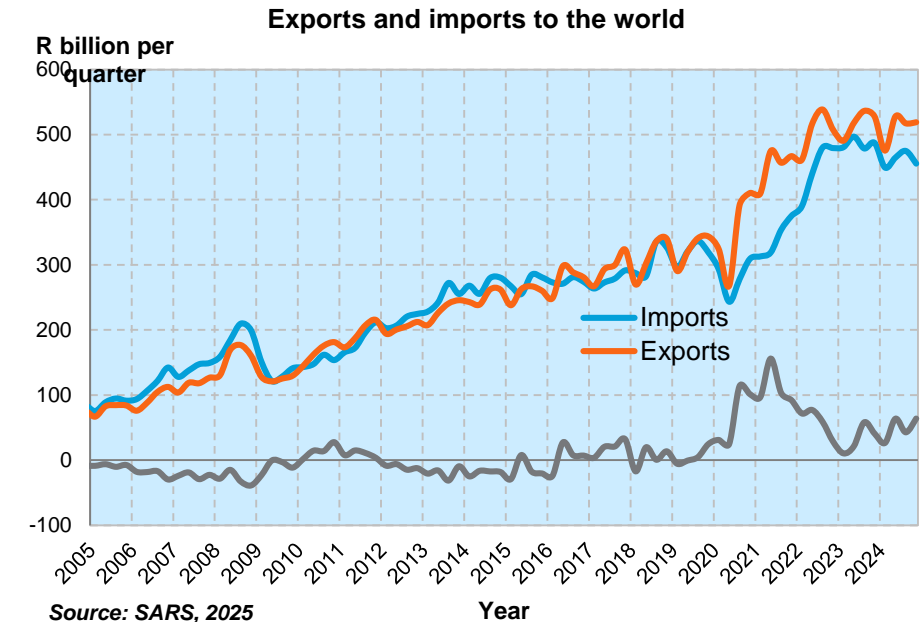
BATTLING LABOUR MARKET

- ❑ According to Stats SA's latest QLFS, the official national unemployment rate increased to 32.9% in 2025Q1, from 31.9% in 2024Q4.
- ❑ In all, total employment declined by 291 000 compared to 2024Q4. The formal sector (non-agric) accounted for 245 000 job losses. However, the informal sector added 17 000. Employment in the agricultural sector increased by 6 000 jobs.
- ❑ These figures suggest that labour market conditions remain tough and with faster economic growth needed to stimulate job creation
- ❑ Indeed, the number of discouraged work-seekers (people who are unemployed but who have given up searching for employment) increased by 7 000 q-o-q and by 425 000 y-o-y. When including these discouraged work-seekers, the so-called expanded unemployment rate remained at 43.1% in 2025Q1.
- ❑ Even more worrying is the fact that the expanded youth unemployment rate (ages 15 to 24) currently sits at an elevated 62.4%.



SA TRADE SURPLUS WIDENS IN 2024

- ❑ One of the few positives of the otherwise gloomy economic picture in 2024 was in regard to South Africa's trade balance which strengthened markedly.
- ❑ This was mainly due to falling imports – manufactured imports fell by 6% - while a few export sectors managed to increase exports, including the electricity, gas, and water, and the agriculture, forestry, and fishing sectors.
- ❑ However, in 2025, the year began with a decline in South Africa's trade balance with the world, falling from R62 billion in 2024Q4 to R28 billion in 2025Q1 - driven by a slight increase in imports and a significant decline in exports.
- ❑ South Africa's largest export partners remain China, the US and Germany while import partners are China, India, and the US.
- ❑ The importance of the US market both as a source of investment and a destination for exports is clear and the SA government will continue to advocate for a 're-set' of trade relations with its long-standing trade partner to create policy certainty for exporters in particular.
- ❑ SA has been putting more emphasis on enhancing trade with Africa. Its exports to Africa increased to R568 billion in 2024, from R545 billion in 2023, while imports rose to R190 billion, from R166 billion in the same period, resulting in a trade surplus of R378 billion for the calendar year.
- ❑ South African exports to the continent were largely driven by products from agriculture which soared by 40.5% and manufacturing which firmed by 34.7%.
- ❑ South Africa's trade prospects with Africa are expected to improve gradually, but very substantially in the medium- to long-term as the continent-wide agreement on the African Continental Free Trade Area (AfCFTA) is implemented.
- ❑ SA formally began exporting using AfCFTA trade preferences in January 2024.



BUILDING A CAPABLE DEPARTMENT

FILLING OF KEY MANAGEMENT POSITIONS

- **Director-General** -The selection and appointment process was concluded and the Director-General assumed duty on **17 March 2025**
- **3 Deputy Directors-General (DDG) posts** -The screening was concluded during December 2024 for the following posts:
 - DDG: Spatial Industrial Development and Economic Transformation
 - DDG: Competition Policy and Economic Planning
 - DDG: Industrial Competitiveness and Growth
- **DDG: Departmental Operations** – not supported by the **Minister of Public Service and Administration**, engagements are underway to resolve this matter

FILLING OF KEY MANAGEMENT POSITIONS (ENTITIES)

No filling of key management positions were done during Q4. The process to fill the board and management positions is at an advanced stage. The selection and screening process took longer than anticipated due to the high volume of applications received. The placement process is being expedited.

Structure Fit for Purpose Project

Proposed macro-organisational structure is currently being consulted

Internal Resourcing

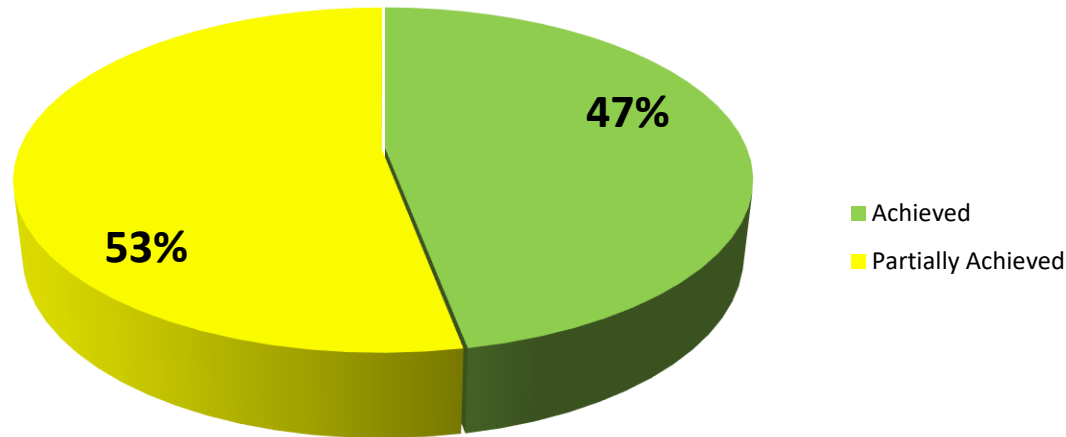
144 internal human resourcing needs identified and addressed through **133 internal re-assignments** until 31 March 2025

Inclusive Culture as at 31 March 2025

- **55% Women in SMS** employed exceeding the 50% target
- **4.5% Persons with Disabilities** employed
- **7.6% of Youth** employed
- **31 Interns** appointed for the period 2024-2026

ENTITIES ANNUAL AND Q4 PERFORMANCE (1)

Q4 Performance of **the dtic** entities



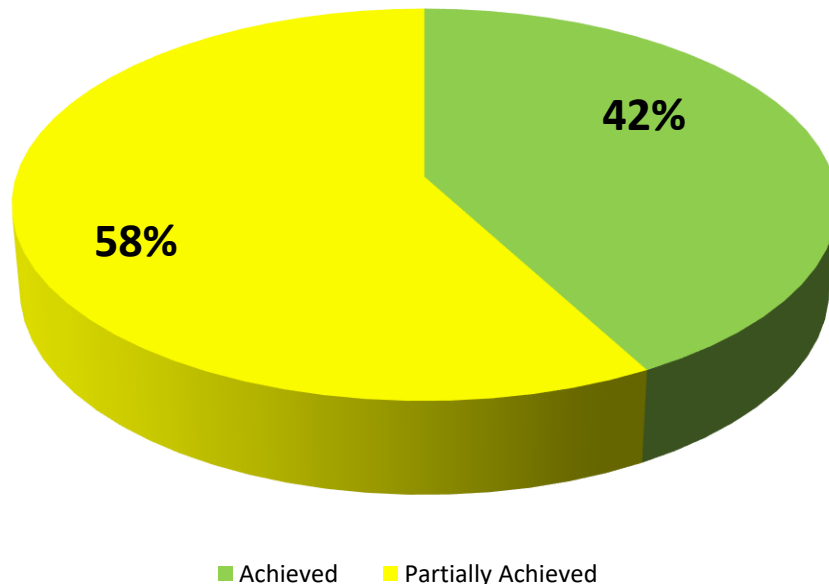
Entities that achieved 85% and above of their Q4 targets

47% Achieved

53% Partially Achieved

For Q4, 47% of entities achieved at least 85% of their targets and 53% partially achieved (i.e. they achieved between 50% and 84% of their targets).

Annual Performance of **the dtic** entities



Entities that achieved 85% and above of their Annual Targets

42% Achieved

58% Partially Achieved

For annual performance, 42% of entities achieved at least 85% of their targets and 58% partially achieved (i.e. they achieved between 50% and 84% of their targets).

ENTITIES ANNUAL AND Q4 PERFORMANCE (2)

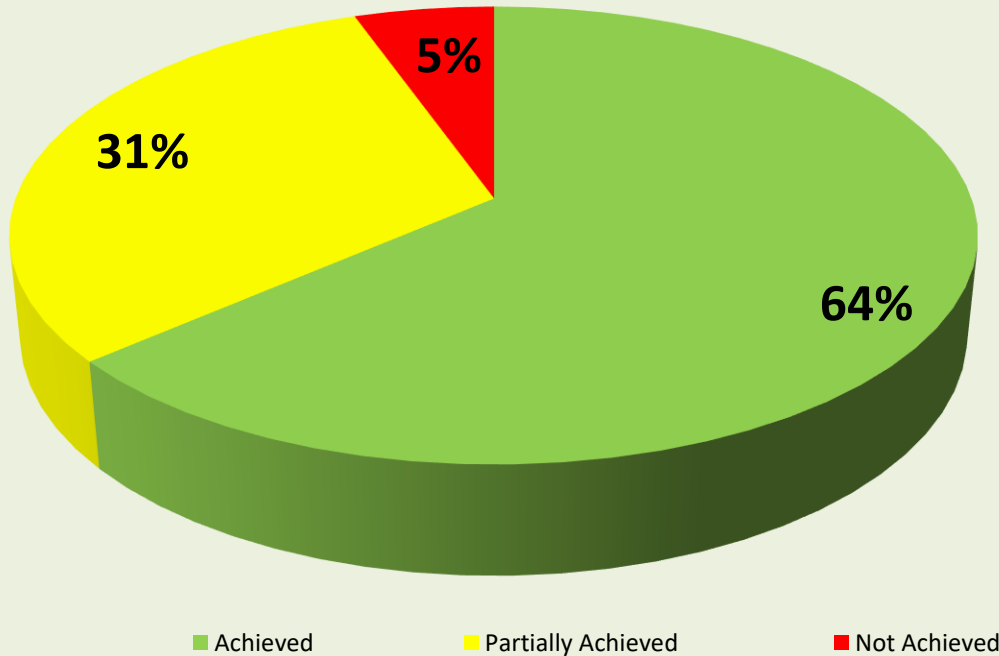
The following tables are a summary of **the dtic entities'** Q4 APP performance and Annual performance

| N O | Entity | Achievement | |
|--------|---|-------------|--------|
| | | Q4 | Annual |
| 1 | Broad-Based Black Economic Empowerment (B-BBEE) | 96% | 97% |
| 2 | Companies and Intellectual Property Commission (CIPC) | 80% | 88% |
| 3 | Companies Tribunal | 60% | 73% |
| 4 | Competition Commission (CompCom) | 89% | 89% |
| 5 | Competition Tribunal | 89% | 89% |
| 6 | Export Credit Insurance Corporation (ECIC) | 54% | 54% |
| 7 | Industrial Development Corporation (IDC) | 62% | 62% |
| 8 | International Trade Administration Commission (ITAC) | 67% | 63% |
| 9 | National Metrology Institute of South Africa (NMISA) | 81% | 81% |
| 10 | National Consumer Commission (NCC) | 95% | 70% |

| N O | Entity | Achievement | |
|--------|--|-------------|--------|
| | | Q4 | Annual |
| 11 | National Consumer Tribunal (NCT) | 100% | 100% |
| 12 | National Credit Regulator (NCR) | 85% | 82% |
| 13 | National Empowerment Fund (NEF) | 81% | 81% |
| 14 | National Gambling Board (NGB) | 93% | 93% |
| 15 | National Lotteries Commission (NLC) | 80% | 80% |
| 16 | National Regulator for Compulsory Specification (NRCS) | 56% | 56% |
| 17 | South African Bureau of Standards (SABS) | 72% | 72% |
| 18 | South African National Accreditation System (SANAS) | 94% | 89% |
| 19 | Takeover Regulation Panel (TRP) | 86% | 86% |

OVERALL Q4 DEPARTMENTAL PERFORMANCE

Q4 Departmental Performance



55 Planned Q4 Targets

35 Achieved

17 Partially Achieved

3 Not Achieved

Targets not achieved:

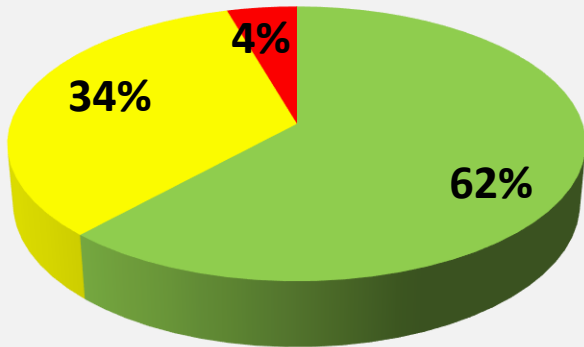
- **100% of vacancies advertised in September 2024 filled** by 31 March 2025. There was a high volume of applications received and the selection process took longer than anticipated
- **R5Bn Transformation Fund raised** including **5 commitments for Transformation Fund**. The development and finalisation of the Transformation Fund was the main focus. Funds could not be raised as institutions stated that they are waiting for the Concept to be finalised.

OVERALL ANNUAL DEPARTMENTAL PERFORMANCE

Annual Departmental Performance (1)

Initially tabled APP:28 March 2024
(Q1 & Q2)

89 Planned Annual Targets
55 Achieved
30 Partially Achieved
4 Not Achieved

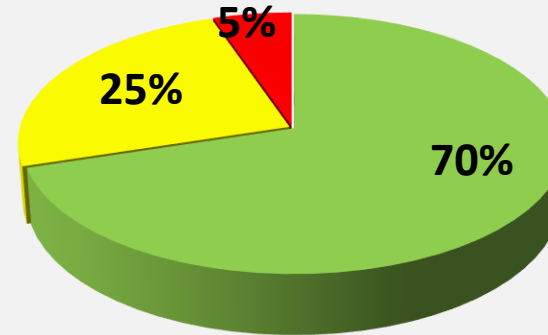


■ Achieved ■ Partially Achieved ■ Not Achieved

Annual Departmental Performance (2)

Revised APP: 13 November 2024
(Q3 & Q4)

57 Planned Annual Targets
40 Achieved
14 Partially Achieved
3 Not Achieved



■ Achieved ■ Partially Achieved ■ Not Achieved

Targets not achieved:

1. 4 Business Forums not hosted in Q1 & Q2 were held in Q3 outside of reporting period
2. Rand value of manufacturing exports contributed by Sectors targeting **R137.5M in Q1 and R200M in Q2**. Slow economic growth resulting in a low value of manufacturing exports reported by companies. Industry has experienced a demand reduction internationally resulting in fewer numbers in exports reported.
3. Rand value of output by black industrialists supported through **sector interventions** with **R250M** targeted in Q1 and Q2 respectively. Access to sufficient or adequate funding on time for appropriate machinery and equipment for manufacturing. Upfront capital costs for large projects which require the syndication of funds from DFIs and other sources, including offtake contracts. E.g. Renewable energy projects which were affected by delays in foreclosure because of capital costs
4. 2 Reports on high-impact evaluations to improve the efficiency and/or effectiveness, of the **dtic's** policy or programme interventions provided

Targets not achieved:

1. % of advertised vacancies filled. There was a high volume of applications received and the selection process took longer than anticipated
2. R10Bn value of Transformation Fund raised. The Fund could not be raised because it is dependent on the finalisation of the concept document, which is still published for Public comments. Institutions stated that they are waiting for the concept to be finalised
3. 10 commitments for Transformation Fund. The development and the finalisation of the Transformation Fund was the main focus. Funds could not be raised as institutions stated that they are waiting for the Concept to be finalised

INVESTMENT & SPATIAL INDUSTRIAL DEVELOPMENT

Annual Target

R330 billion investment pledges secured across the state

Quarter 2 Achievement

R21,57 billion

Quarter 3 Achievement

R7,8 billion

Quarter 4 Achievement

R302,3 billion

Year Achievement

R353,2 billion

- Value of investments secured in Q2 was **R21.57 billion** against the target of **R63 billion**.
- Value of investments secured in Q3 was **R7.8 billion** against the target of **R5 billion**.
- Value of investments secured in Q4 was **R302.3 billion** against the target of **R242 billion**.
- The *additional R60.3 billion* achieved in Q4 was a result of partnership with provinces and the EU Investment

Top 5 Investments Secured in Q4:

1. EU Investments
2. Kona Maanda
3. Westown Shongweni
4. Mafolo Park
5. Kulani Energy

Top 5 Investments Secured in 2024-25:

1. EU investments
2. Kona Maanda
3. Westown Shongweni
4. Mabele Emoyeni Wind Energy Facility
5. Mafolo Park

Interventions to increase investment

The investment from the European Union significantly contributed to the achievement of our investment targets. Additionally, in collaboration with provincial partners through the KwaZulu-Natal Investment Conference and the Limpopo Investment Conference, we further strengthened our efforts in mobilising investment at both national and provincial levels.

VISAS, WORK VISAS, INVESTOR FACILITATION

Investor Facilitation

- 20 site visits conducted in relation to the facilitation of recommendations for Business Visas
- 01 Company assisted with the unblocking of a Compensation for Occupational Injuries and Diseases Act (COIDA) compliance application

VISAs

- 70 Visas for 6 companies from South Africa, China, Austria and Japan were unblocked, as well as a Permanent Residence application for a Sri Lankan citizen working for a South African company

| | Visa Type | Number |
|---|------------------------|--------|
| 1 | Visa (11) 1 | 02 |
| 2 | Permanent Residence | 01 |
| 3 | Intra Company Transfer | 01 |
| 4 | Short Term Work Visa | 67 |

EU Investment Package of €4.7 billion at the SA-EU Summit (R95,5Bn)

At the **EU-South Africa Summit on March 13, 2025**, the EU pledged €4.7 billion in a Global Gateway Investment Package to South Africa. This package aims to support mutually beneficial investment projects, including grants and public and private loans from European financial institutions and the private sector. **The package is focused on three key areas: expanding South African vaccine production, supporting the just energy transition, and strengthening connectivity infrastructure**

Priority area/Project

1. **Building South Africa vaccine production:-** Biovac (project preparation and Technical Design)
2. **Just Energy Transition:** support to the JETP focused on three components: Green Hydrogen, CRM, and Transports/logistics.
 1. Critical Raw Materials -Investment facility to support a pipeline of projects, focusing on the local processing of critical minerals
 2. Green logistics, transport and electricity
 3. Renewable Energy
3. **‘Just’ component (Jobs and skills)**
 1. Contributing to the Government’s Jobs Fund, with a dedicated window for the JET through a combined effort of the private sector and the Government of South Africa, which may include (re)skilling of job seekers (funded by bilateral funds)
 2. Vocational training: developing new skills/reskilling for the green energy sector, including research and support to the creation of new green value chains (funded by bilateral funds).
4. **Connectivity infrastructures-**
 1. Transport
 2. Digital

Special Economic Zones

Special Economic Zones (SEZ)

- During Q4, **there was an increase of 828 permanent jobs** compared to the previous quarter. This brings the **cumulative jobs in SEZs to 27281**. The, overall year-on-year performance of the SEZ programme for the period (2023/24 and 2024/25) highlights an increase of 1 363 permanent jobs and an **increase in operational investment to the value of R3 609 325 470**
- During the performance period, the department achieved its target to **designate the Namakwa SEZ and Gazette it on 21 May 2024** (Gazette No. 50681). The SEZ will focus on **Mineral Beneficiation**. The total land area of the SEZ is 1270 ha and comprises of three land parcels. Vedanta Zinc International has committed to investing R16 billion in a Sinter Plant and Metallurgical Smelter in the zone. The SEZ entity, with support from Infrastructure SA, is finalising project prep for the external bulk infrastructure required.
- During the period 25-28 February 2025, the Portfolio Committee visited RBIDZ, Dube Trade Port, O R Tambo IDZ and Tshwane Automotive SEZ (TASEZ) for an oversight.

New SEZ Development Set for 2025/2026

- On 5 March 2025, the Minister published his 30 day public consultation process on his **intention to expand the Coega SEZ to establish a Pharmaceutical and Vaccine SEZ (Gazette No. No. 52214)**. This process was finalised on 17 April 2025. A request will be tabled by the end of Q2 2025 to obtain **the Cabinet's Approval**.
- On 20 March 2025, the Minister also published his 30 day public consultation process to establish the Fetakgomo-Tubatse SEZ. The public consultations have been finalised on 09 May 25. A request will be tabled by the end of Q3 2025 to obtain Cabinet's Approval

MANUFACTURING EXPORTS

Manufacturing Exports (Global)

Output 3

R900 billion in
manufacturing exports
to the world

Year-to-date achievement

R 1.02 Trillion

% of app target achieved

113%

- **R236 billion**
value of total manufacturing
exports to the World from
January - March 2025.

Manufacturing Exports (Rest of Africa)

Output 4

R400 billion in
manufacturing exports
to Rest of Africa

Year-to-date achievement

R 445 billion

% of app target achieved

111%

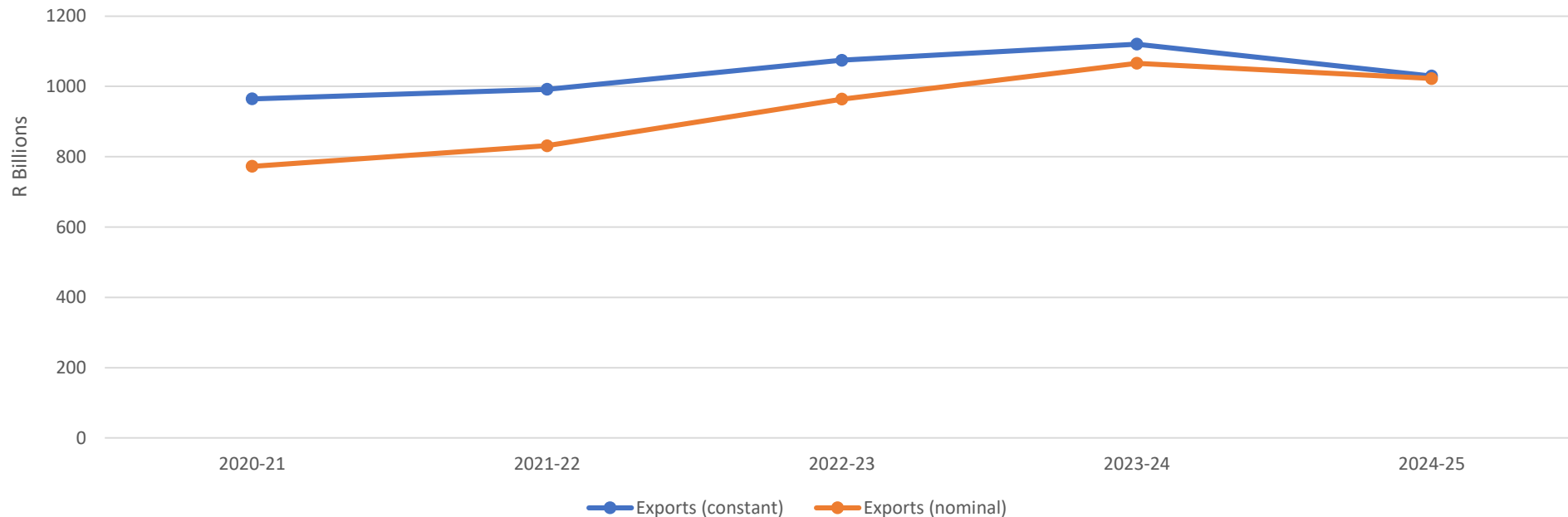
- **R102 billion**
manufacturing exports to other
African countries from January -
March 2025.

** SARS provisional data for January to March 2025 subject to updates*

MANUFACTURING EXPORTS TO THE WORLD

South Africa's manufactured exports had a difficult 2024-25, registering a decline in every quarter and also an overall drop of 4.1% for the year. Total export of manufacturing goods stood at R1.02 trillion. These figures indicate that the last financial year was quite tough when compared to 2023-24 where export of manufactured goods grew by an impressive 10%. A myriad of reasons contributed to the underwhelming performance including lower prices for minerals and metal products and lower car and machinery sales. Some key markets like China, Mozambique and Netherlands performed poorly, contributing to the difficult year. There was however some good news as other markets like Germany, Belgium and Japan performed better and ended in positive territory.

*Manufacturing exports to the world**

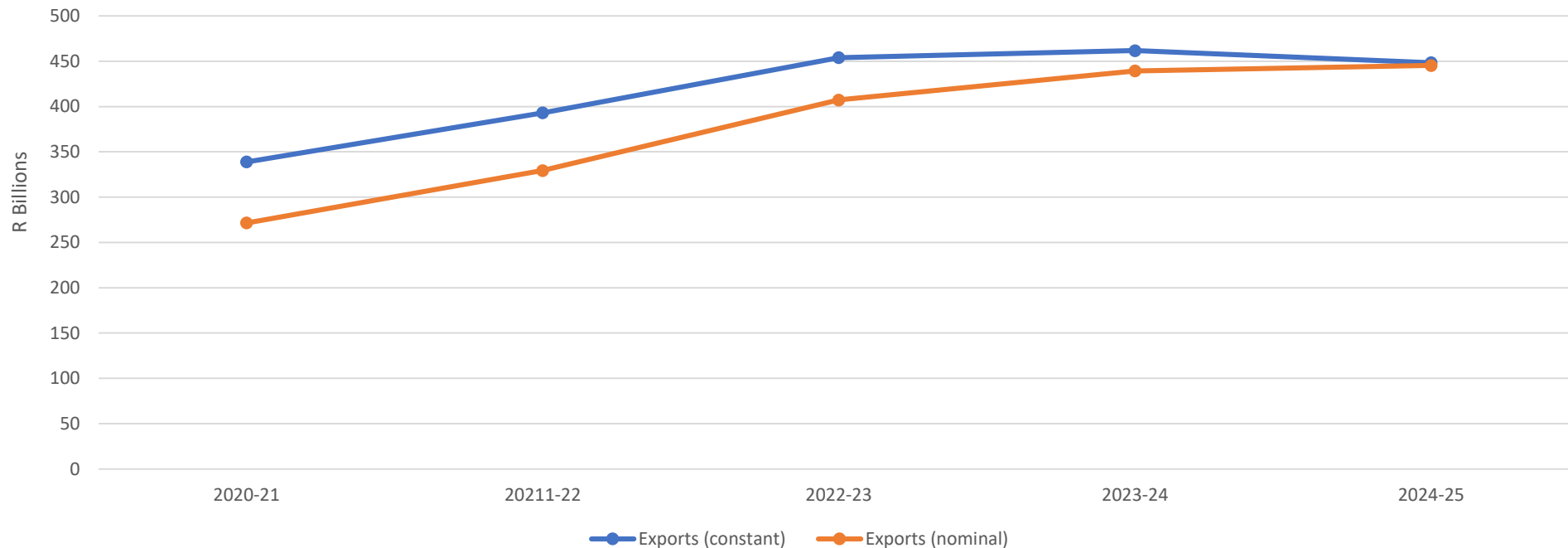


Constant value adjustment uses CPI values. CPI=100 in December 2024

MANUFACTURING EXPORTS TO AFRICA

Manufactured exports to Africa registered a mixed performance for 2024-25, with a decent growth of 5.5% in Q2, staying flat in Q3 and dropping significantly by 12.9% in Q4. Overall, export of SA manufactures grew marginally by 1.4% for the year for a total of R445 billion. Botswana, Namibia, Zimbabwe, Mozambique and Zambia continued to be the main importers of SA's manufactured exports. Pumps, trucks, ferro-alloys, motor cars and petroleum oils were the top products exported to the rest of the African continent.

*Manufacturing exports to Africa**

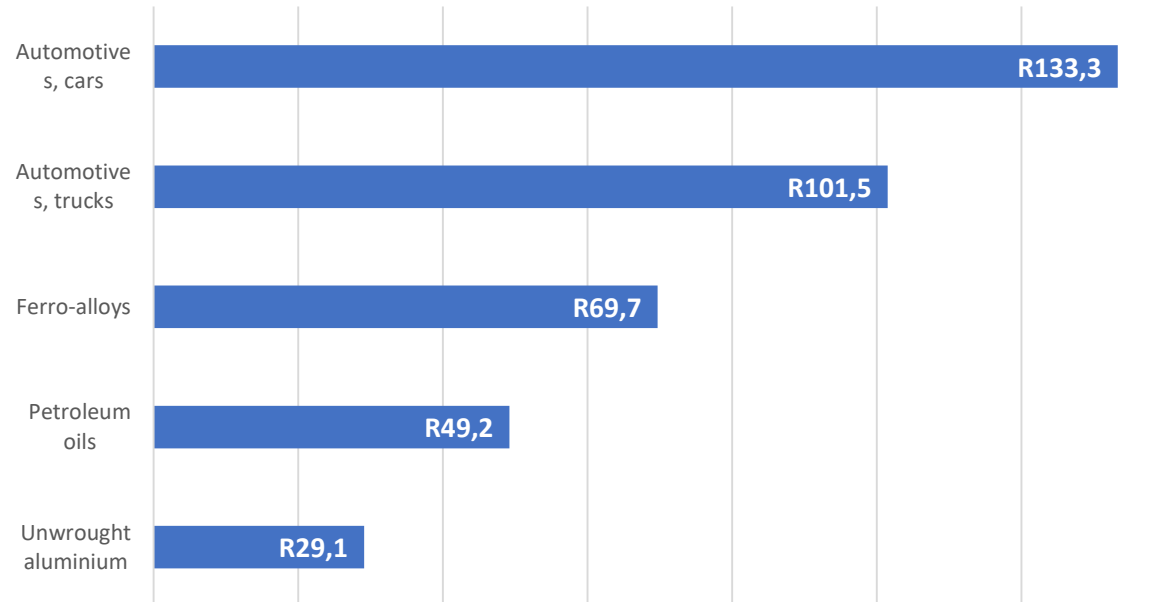


Constant value adjustment uses CPI values. CPI =100 in December 2024.

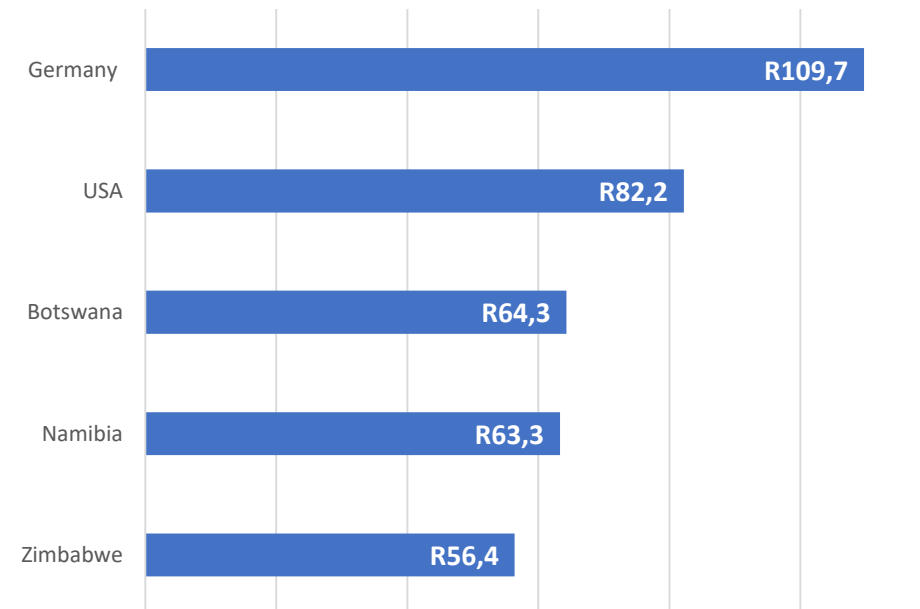
MANUFACTURING EXPORTS

South African manufactured exports saw a decline in 2024-25 due to a drop in import from major destinations like Germany which imported 13.8% less than it did the previous year. The USA also imported 4.9% less than it did in 2023-24. Even SADC countries Botswana and Namibia imported less manufactured goods in the reporting period. Export of key products also dropped with cars dropping by 10.5%, trucks dropping by 6.5%, ferro-alloys by 14.8% and export of petroleum oils dropping by 10.4%. These figures contributed to the overall decline of manufacturing exports by 4.1%.

Top 5 manufactured exports, April 2024 to March 2025, Billion



Top 5 destinations for manufactured exports, April 2024 to March 2025, Billion



** SARS provisional data for April 2024 to March 2025 subject to updates*

MANUFACTURING EXPORTS

Top Exported Products by Top Export Destinations, April 2024 to March 2025

| | Germany | USA | Botswana | Namibia | Zimbabwe |
|---|---------------------|------------------------|---------------------|---------------------|-------------------------------|
| 1 | Automotives, cars | Automotives, cars | Coal, briquettes | Automotives, trucks | Automotives, trucks |
| 2 | Automotives, trucks | Unwrought aluminium | Automotives, trucks | Medicaments | Petroleum gases |
| 3 | Centrifuges | Ferror alloys | Automobiles, cars | Automotives, cars | Organic surface active agents |
| 4 | Automotive parts | Yachts & other vessels | Medicaments | Telephone sets | Coal, briquettes |
| 5 | Machine parts | Acyclic hydrocarbons | Automobile, parts | Automotive, parts | Automotives, cars |

** SARS provisional data for April 2024 – March 2025 subject to updates*

INDUSTRIAL FUNDING (INCENTIVES)

APPROVALS

Approved over

R2bn

with projected
investment of over

R13bn

that will be generated
over the next

2-5
years

DISBURSEMENTS

Disbursements show the current impact of industrial funding

R4bn
disbursed

11 656
New jobs

R11bn
Service exports

Over
R950 MILLION

Financial funding
to SMMEs, women and youth-
owned businesses

R1.29 BILLION

Financial funding to Black
Industrialists and black-owned
businesses

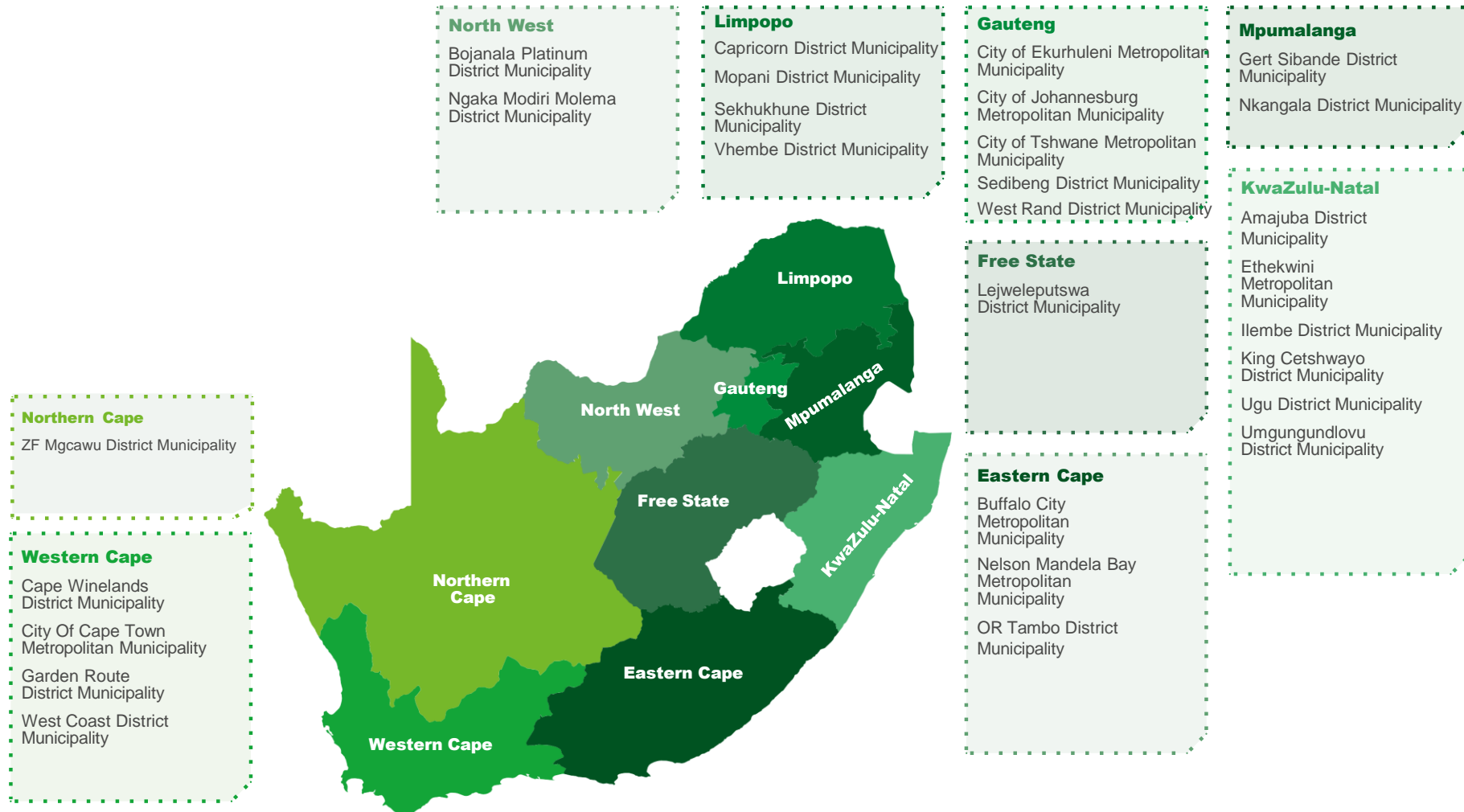
Over
R1 BILLION

Financial funding to enterprises in
areas outside the five main metros

- In 2024/25, the department approved projects with investment values of over R13 billion that will be generated over the next two to five years. About R5 billion of this investment will be in the automotive industry to mainly improve the competitiveness of component manufacturers and R5.8 billion for the construction of critical infrastructure (including solar infrastructure) that aims to stimulate investment in the country.
- In terms of disbursements, the department disbursed over R4 billion and reached its annual target, with Q4 contributing just over R1 billion towards this target.
- At the end of Q4, new permanent jobs stood at 11 656 of which over 5 800 was created by manufacturing firms and 4 603 by global business outsourcers with the latter contributing to over 80% of youth jobs.
- The department contributed towards deepening transformation through disbursements to SMMEs/WO/YO business as well as to projects located outside of the 5 main districts (see slide below).

INDUSTRIAL FUNDING (INCENTIVES)

ECONOMIC INCLUSION THROUGH INDUSTRIAL FINANCING IN DISTRICTS 2024/25



GLOBAL BUSINESS SERVICES

GLOBAL BUSINESS SERVICES



ASCENSOS SOUTH AFRICA RF (PTY) LTD EMPLOYEES



TOP: RAEETZ GERTZE, HASHIM GALER (CUSTOMER SERVICE ADVISORS)

BOTTOM: MUNEEBA VAN DER MERWE (CUSTOMER SERVICE ADVISOR)

- The Global Business Services Incentive aims to create new jobs in the country as well as generate revenue through the export of services.
- In 2024/25, both of these objectives were achieved with the incentive creating **4 603 new jobs for the year**. As at 31 March 2025, overall new jobs created for projects that are still active in the incentive, stood at **37 800**.
- Global business outsourcers also earned export revenue of R11 billion (R3.7 billion earned in Q4) through providing a range of outsourced services to international markets. While the United Kingdom and the United State of America remain the largest source of exports, the reach to other markets such as Mauritius, Gibraltar, Netherlands, France, Belgium and even Canada is noticeable.

MERGERS PROTECTING PUBLIC INTEREST

The Minister's participation in mergers is aimed at ensuring that public interest issues in terms of Section 12(A)(3) of the Competition Act are considered and addressed in the approval of mergers:

2

Quarter 4

57 merger notifications were received and **participated in 2** based on public interest considerations.

4

4 (1 Large and 3 intermediate) mergers in which the Minister had previously participated were finalised in Q4 (all approved subject to public interest conditions).

28

Annual

328 merger notifications were received in the year and **Participated in 28** based on public interest considerations.

35

16 Large and 19 intermediate mergers in which the Minister previously participated in finalised by Competition Authorities in FY24/25

Employee Share Ownership Plan (ESOP)

Annual Achievement

14,026 Additional workers benefitted
Against the targeted 10000

% of target achieved

140% (Annual Target)

Q4 Achievement

2,980
additional workers benefitted

SECTOR (Q4)

NUMBER

Manufacturing x 2 Companies 859

Property 19

Fuel trading 140

Sportswear retail 1848

IT 114

TOTAL 2,980

SECTOR (Annual)

NUMBER

Manufacturing x 4 Companies

1 022

Pet Food Retail

426

Electrical, transmission equipment

430

IT x 2 Companies

209

Fuel

2,142

Cold storage and transport

41

Maize Milling

709

Sugar milling and refinery

2668

Retail building material

4322

Mining

50

Property

19

Fuel trading

140

Sportswear retail

1848

TOTAL

14,026

Transformation Fund

- The Draft Transformation Fund Concept Document was approved by the Minister and published for 30 day public commentary period.
 - The Fund aims to aggregate various enterprise supplier development and equity equivalent programmes under B-BBEE legislation to increase access to funding for black-owned enterprises, SMMEs and enterprises owned by designated groups (women, youth and people with disability) to enable their economic participation and income-earning potential.
 - The Fund will be implemented through a partnership between the private sector and the government, focusing on critical sectors such as mining, manufacturing, agriculture, tourism, services, and ICT.
 - The Fund will offer financial and non-financial support during pre- and post-investment phases in the form of grants for start-up enterprises (including digital, innovative projects), affordable loans for debt, equity and broad-based financing.
 - Stakeholder Engagements sessions took place with the following organisations: Business Unity South Africa, Business Leadership South Africa, Black Management Forum, Black Business Council, Association of Black Securities and Investment Professionals and Progressive Business Forum
- The Transformation Fund is a national aggregated funding initiative by the Department of Trade, Industry and Competition which shall be implemented in partnership with the private sector.
 - It is designed to address funding constraints faced by majority Black-owned businesses and SMMEs, particularly in sectors where access to capital remains a significant challenge.
 - The Fund has set a goal of raising R100 billion over the next five years.
 - **A Draft Concept document which outlines how the fund will be aggregated and managed was published on 20 March 2025 to give members of the public an opportunity to provide inputs and comments.**

B-BBEE Policy Implementation & Equity Equivalent Investment Programme Agreements (EEIP)

- The approval and an Agreement with Microsoft to implement Equity Equivalent Investment Programme for an amount of R1.32 billion over the ten year period. The fund shall be invested in developing technology-based and non-technology based SMMEs and start-ups, skills development amongst the youth, as well as in research and development projects.
- The approval of the B-BBEE Legal Sector Code that aims to accelerate the pace of transformation in the legal profession and to create an inclusive legal profession and sector. Amongst key objectives of the sector is that it aims to achieve a black ownership target of 50% and black women ownership of 25% over 5 years.

- The Youth Employment Service (YES) Initiative continues to grow the number of youth jobs created and assists young people to be integrated into the economy. The Y.E.S Initiative created 34 820 job opportunities. The Y.E.S initiative aims to improve the employment outlook for young work seekers, by offering a first chance of quality work experience for one young work seekers.

B-BBEE Ownership in Critical Sectors

- The average ownership of 32% ownership across key sectors was recorded during the quarter.
- The average is based on the following sectors: Ownership Average: Forestry; Transport; Generic (mostly Retail, mining and Manufacturing), ICT, Media, Advertising and Communication, Tourism, Agriculture, Financial Services and Construction.

ADDRESSING MARKET CONCENTRATION & PRICE MONITORING

FRESH PRODUCE MARKET INQUIRY FINAL REPORT RELEASED

- On 13 January 2025, The Competition Commission released the Fresh Produce Market Inquiry final report and handed it over to Minister Parks Tau.
- The Inquiry identified significant barriers to competition, including inefficiencies in municipal fresh produce markets, the conduct of market agents, high input costs (especially for fertilizers and seeds), regulatory hurdles, and systemic challenges for small-scale, emerging, and historically disadvantaged farmers.
- The Inquiry proposed **31 practical** recommendations aimed at promoting competition, reducing barriers to entry, and promoting a more inclusive fresh produce value chain.
- These include calls for policy reforms, market restructuring, and targeted support for small-scale and historically disadvantaged farmers.

In accordance with the Act, the final report was published in the **Government Gazette on 14 January 2025** and was **Tabled in Parliament on 06 February 2025**



ADDRESSING MARKET CONCENTRATION & PRICE MONITORING

Essential Food Pricing Monitoring (EFPM) Report 2025 Issued

On 27 March 2025, the Competition Commission released the latest edition of the EFPM Report. The report tracks food prices throughout the value chains of selected essential food items. In this edition of the EFPM report, the key observations were made:

- The report noted the lower average retail prices for brown bread during the time under review.
- Despite better and more responsive price transmission for sunflower oil, the producer to retail spread of sunflower oil remains at its highest level since 2021.
- Egg producer prices are currently cheaper than they were in November 2023. This suggests recovery in the sector enabled by various private and public measures including biosecurity protocols and monitoring programmes, import of fertilised eggs, and tariff rebates.
- The producer-to-retail spread of canned pilchards has been on a downward trend in the last six months. This illustrates the restraint shown by producers and retailers in their pricing behaviour for canned pilchards continues.

The EFPM monitoring shows that consumers are beginning to benefit from easing cost pressures. Continued oversight is needed to ensure cost reductions are passed down fairly and transparently, preventing profiteering.



EXCESSIVE PRICE MONITORING AND PRICE GOUGING CASES

The Competition Tribunal concluded 5 matters of excessive pricing and price gouging during the financial year. The following cases provide an example of how the Competition Act and the Competition Authorities protect consumers from unfair pricing imposed by service providers seeking to maximise profit at the expense of consumers. These firms can do this due to their market dominance and limited competition in their respective sectors. A key example is the Johnson & Johnson case in which the Commission was able to reduce the price of TB medication by 40% because the firm used its effective monopoly in the sector to charge exorbitant prices, which the most vulnerable consumers and the Department of Health could not afford.

Hard Equipment Pty Ltd vs Competition Commission. The Competition Tribunal imposed an administrative penalty in the amount of R480 000.00, for concerted practice to fix process and/or trading conditions when renting out plant hire equipment.

Victron Energy B.V vs Competition Commission. The Competition Tribunal imposed an administrative of R14 232 581, for contravening section 5(2) of the Act which prohibits the practice of minimum resale price maintenance. For products sold by online stores to end users in South Africa

Vita Gas (Pty) Ltd vs Competition Commission. The Competition Tribunal imposed conditions on price fixing and market allocation that allowed Vita Gas to engage in exclusionary conduct and prevented Sunrise from entering into an agreement with other LPG aggregators. The conditions includes termination of the Throughput Agreement concluded with Sunrise Energy in respect of the LPG Terminal.

Global Roofing Solutions vs Competition Commission. The Competition Commission found that there is a potential contravention of section 8(d)(i) and 8(1)(c) of the Act. No penalties imposed.

Johnson & Johnson vs Competition Commission. The initiation of the investigation was in respect of alleged exclusionary practices and excessive pricing in the provision of Sirturo (TB medication). Following the investigation, the companies have agreed not to enforce the Bedaquiline patent in 134 low-and middle income countries, including South Africa. This opens the market allowing for the entry of generic suppliers.

In addition, the companies re-negotiated the Sirturo prices charged to the National Department of Health (NDoH) as the procurer of Sirturo in South Africa. Accordingly, the price of Sirturo has been reduced by approximately 40% from R5 577.12 per pack of 188 tablets to R3 148.00 inclusive of VAT and logistics costs. The price charged to NDoH is aligned to what the companies are offering to the Global Drug Facility (the world's largest procurer of TB medicines and diagnostics). The price reduction means the NDoH will be saving significant amounts when offering TB treatment to patients, owing to the Commission's intervention.

Social Employment Fund (SEF)

For the period under review, 1 January to 31 March 2025, the SEF has the following to report.

- A total of 52 482 participants were enrolled in the SEF during this period;
- A total amount of R302 269 000 was disbursed during this period;
- The percentage of youth employed during this period amounted to 61%. With an average age of 34 years old.

The job creation took place in the following sectors:

| Sector | Jobs | % |
|------------------------------|--------------|-------------|
| Community & Public Art | 1574 | 3% |
| Digital Inclusion | 51 | 0% |
| Education | 11548 | 22% |
| Food Security & Nutrition | 11546 | 22% |
| Greening & the Environment | 9972 | 19% |
| Health and Care | 5773 | 11% |
| Micro Enterprise Development | 472 | 1% |
| Placemaking | 1574 | 3% |
| Safety & GBV | 4199 | 8% |
| Other (mixed development | 5773 | 11% |
| TOTAL | 52482 | 100% |

The following Strategic Integrated Projects (SIPs) were active in the period under review:

| | |
|------------------|------|
| ACT | 2723 |
| Africa Ignite | 1064 |
| ASSITEJ SA | 1573 |
| ATS | 1071 |
| Avocado | 1076 |
| Brownie Points | 1276 |
| CSA | 1123 |
| CORC | 1564 |
| DEET | 1066 |
| DUCT | 1063 |
| Goedgedacht | 1276 |
| GSdT | 1241 |
| HIVSA | 1055 |
| Hlanganisa | 2046 |
| Humansdorp | 1073 |
| Impande | 1086 |
| Inmed | 1067 |
| JICP | 1325 |
| Lima Rural | 2114 |
| MDA | 1310 |
| NAF | 1651 |
| Na'ibali Trust | 1048 |
| PlanAct | 1062 |
| PSH | 1836 |
| Seriti (Komati) | 107 |
| Seriti | 2698 |
| Siyakholwa | 1789 |
| Siyavuna Abalimi | 1101 |
| Solidaridad | 1819 |
| SPF | 1821 |
| StellCARE | 1054 |
| TL Trust | 3203 |
| Themba lethu | 2678 |
| Touching Nations | 1061 |
| VPUU | 1158 |
| WeFeed | 1204 |

Social Employment Fund (SEF) cont.....

The Social Employment Fund (SEF) was allocated R1.13 billion for the 2024/25 financial year. During this period, the SEF successfully upheld its target of creating 50,000 work opportunities.

Below is the quarterly breakdown:

Q1: 60 654 work opportunities were created

Q2: 48 400 work opportunities were created

Q3: 51 101 work opportunities were created

Q4: 52 482 work opportunities were created

With regards to disbursements, the following was disbursed for the financial year:

Q1: R362 980 131.98

Q2: R281 825 299.28

Q3: R330 550 874.76

Q4: R302 269 000.00

The provincial spread is as follows:

| Province | Jobs | & |
|---------------|-------|------|
| Eastern Cape | 12071 | 23% |
| Free State | 3149 | 6% |
| Gauteng | 8922 | 17% |
| KZN | 8397 | 16% |
| Limpopo | 4199 | 8% |
| Mpumalanga | 2623 | 5% |
| Northern Cape | 2624 | 5% |
| North West | 3674 | 7% |
| Western Cape | 6823 | 13% |
| TOTAL | 52482 | 100% |

The gender split is as follows:

| Gender | % |
|--------|------|
| Male | 32% |
| Female | 68% |
| Total | 100% |

The Social Employment Fund received funding for the 2025/26 financial year, to the tune of R1,292bn. This allocation is for one year only, but the SEF Team is continually working on looking at other avenues to mobilise resources outside of government to fund the SEF. The SEF forms part of the Presidential Employment Stimulus (PES), and has been consistently lauded as one of the more successful and well-run programmes within the PES portfolio of programmes.

Transformation – Black Industrialists (1)

Q4 Achievement

**Seven (7) Black
Industrialists**

Annual Achievement

15 Approvals

Seven black industrialist firms were approved for funding under BI Programme in Q4. A total of 15 approvals were achieved in the period 2025/2026 amounting to R 1,1 Billion.

Engineered Gears Pty Ltd , to the value of R 41,824,126 (1)

Industrial infrastructure: industrial gearboxes and mechanical power transmission products in a vast majority of industries

Jobs created: 11

Jobs sustained: 15

Shelvcraft Pty Ltd , to the value of R 42,000,000 (2)

Manufacturing related logistics: shelving, warehouse and storage systems, trolley and wire baskets and shop fittings

Jobs created: 15

Jobs sustained: 96

Bingelela Alloys Pty Ltd, to the value of R 148,704,264 (3)

Mineral Beneficiation: operating a rim alloy production plant

Jobs created: 6

Jobs sustained: 18

Topline Plastics (Pty) Ltd , to the value of R54,692,954 (4)

Plastics and Chemicals

Jobs created: 25

Jobs sustained: 108

NCCA (Pty) Ltd , to the value of R102,688,551 (5)

Chemicals, Plastics and Pharmaceuticals

Jobs created: 181

Gemilatex Pty Ltd , to the value of R 118,634,514 (6)

Chemicals, Pharmaceuticals and Plastics : to manufacture and distribute male condoms.

Jobs created: 289

Jobs sustained: 02

Transformation – Black Industrialists (2)

G and S City Boards CC , to the value of R 32,691,600

Office Furniture, Household Furniture and Chipboards, supplier and installer of Cabinet doors, wrap doors, Post forming tops, D.I.Y furniture,
Low budgeted furniture,
Job created: 20
Job sustained: 80

All Steel Fencing Pty Ltd , to the value of R 60,000,000

Industrial Infrastructure: manufacture clear view fencing products, which includes Clearview Fencing Panels, Steel Poles and Gates for local
Job created: 20
Job sustained: 40

Mint and Honey Pty Ltd , to the value of R43,934,085

Agro processing: comprehensive logistics solution for nutritional products supplied to schools.
Jobs created: 62
Jobs sustained: 12

Kurl In (Pty) Ltd , to the value of R35, 584,660

The company manufactures beds and mattresses of different ranges from entry level beds to exclusive/luxury beds.
Jobs created: 20
Jobs sustained: 90

Afro India Rolling Mills (Pty) Ltd, to the value of R 160,000,000

The company is a secondary aluminium smelting plant, and it manufactures aluminium ingots of various grades mainly for the automotive industry.
Job created: 80
Job sustained: 200

Premier Attraction 114 CC, to the value of R41,588,518

Chemicals, Pharmaceuticals and Plastics
Jobs created: 20
Jobs sustained: 15

Remkor Manufacturing Pty Ltd , to the value of R 47,132,819

Steel and metal fabricated products, pipe binding, sand blasting & powder coating
Job created: 30
Job sustained: 100

Metcan Manufacturing CC, to the value of R101,000,000

Industrial Infrastructure
Job created: 50
Job sustained: 25

Zuro Barrier Films (Pty) Ltd, to the value of R100,000,000

Chemicals, Pharmaceuticals and Plastics
Jobs created: 27

Implementation of the AfCFTA

22 countries have started implementing preferential trade under the AfCFTA:

- Algeria, Cameroon, Egypt, Mauritius, Tanzania, Ghana, Kenya, Rwanda, Burundi, Uganda, Tunisia, Ethiopia, South Africa, Botswana, Namibia, Lesotho, Eswatini, Zambia, Seychelles, the Gambia, Malawi, Nigeria and Morocco.
- **New market access for SA is in the 13 non-SADC countries above**(South Africa and SACU member states' trade with Mauritius, Zambia, Tanzania, Seychelles and Malawi will continue under the SADC Trade Protocol and preferences).
- Protocol on Women and Youth in Trade approved and recommended to Parliament for ratification.
- Protocol on Competition Policy approved and recommended to Parliament for ratification.
- The Annexes on Digital Trade finalized and adopted by 38th Ordinary Session of the African Union Assembly of Heads of State and Government in February 2025.
- SA's Schedule on Specific Commitments on the five (5) priority sectors (Business, Transport, Tourism, Communication and Financial services) approved by Cabinet for submission to the AfCFTA Secretariat.

Increase in utilization of the AfCFTA preferences by traders and increased awareness of the opportunities arising from the AfCFTA as evidenced by exports taking place under AfCFTA preferences - from January 2024 to March 2025, SA exports under AfCFTA preferences amounted to approximately **R820 million**, spanning a diverse range of products, including mining equipment, appliances, food items, apparel, plastics, and electrical machinery.

Currently, our main export destinations within the AfCFTA framework include Ghana, Kenya, Egypt, Rwanda, Cameroon, and Algeria. As other countries implement their approved tariff offers, the countries will be added to the list of names in South Africa's domestic legislation with whom preferential trade under the AfCFTA can take place. Increase in intra-trade with **R609 million** imported from other African countries under AfCFTA

Trade Cooperation and Bilateral Engagements

USA

- South Africa as part of continental efforts continued to advocate for renewal of AGOA with all countries retained in the programme. **The dtic** leadership engagement with various stakeholders in the United States to advocate for renewal of AGOA and these included members of the previous US Administration, members of congress, private sector and think tanks. Given the importance of the United States as a key destination of exports and source of investment, the two countries were working towards the reactivation of the Trade and Investment Framework Agreement (TIFA). These discussions will continue with the new US Administration.
- SA also continuing engagements with the new US Administration on Section 232 tariffs applied on imports of automobiles and auto parts; as well as applied Section 232 tariffs on steel and aluminium on all countries and will further engage on planned reciprocal tariffs

South Africa also hosted Bi-National Commissions and Business Forums/Roundtables with the following countries in order to increase cooperation in the areas of trade and investment:

- Nigeria,- investment commitments, incl \$2bn Afri-data center
- Algeria, resolution of NTBs on auto exports
- Angola - with cooperation by SA DFIs and companies on the Lobito Corridor, rail and agriculture projects
- Mozambique – post-election cooperation on infrastructure development; SA DFIs participation in the LNG project

Engagements with the following countries focused on cooperation and commitments to diversify exports, address non-tariff barriers and increase investments:

- Brazil,
- Spain,
- Thailand,
- Germany,
- Egypt,
- Portugal,
- the Czech Republic.

Trade Negotiations and Multilateral Engagements

European Union (EU)

- Investment package of Euro 4.7 billion (R94 billion) concluded with the EU.
- EU also agreed to work with South Africa on a further investment package for the G20 Summit.
- Commitment from the EU to deliver short and long term solutions without delay to enable Sasol to export sustainable fuel, especially aviation fuel to the EU as well as to support the long-term decarbonisation of Sasol thus contributing to facilitating a Just Energy Transition.
- EU committed to work with South Africa on a sustainable solution without delay to facilitate South African exports of EVs and Hybrid vehicles to the EU market under the provisions of the EU – SADC Economic Partnership Agreement (EPA), while supporting battery manufacturing in South Africa and the EU.
- Working with South Africa on interest to set up an export certification node for diamonds
- Positive completion by EU of the technical assessment of South Africa's Residue Monitoring Plan (RMP) for Amarula which will enable the listing of South Africa as a country able to export shelf-stable composite products containing processed milk and egg products to allow for the resumption of Amarula exports from South Africa to the EU market.
- South Africa and the EU launched negotiations of a Clean Trade and Investment Partnership (CTIP), the first of its kind.

Trade Negotiations and Multilateral Engagements

G20

- Successful hosting of 1st G20 Trade and Investment Working Group under the G20 Presidency with general support for the 4 priority areas put forward by SA namely, trade and inclusive growth; responsive trade and investment agenda to address the challenge of global commons; G20 framework on green industrialisation; and WTO Reform

Climate Negotiations under UNFCCC

- Agreement at COP29 on establishing a four-year work plan to discuss response measures, the work plan includes an item on the cross-border impacts of measures taken to combat climate change which create the space to address measures such as Cross Border Adjustment Measures in the United Nations climate talks.

World Trade Organisation (WTO)

- formal consultations with the EU under the WTO Dispute Settlement Understanding on the EU citrus black spot (CBS) regulations affecting South Africa's citrus exports to the EU, in an attempt to find an amicable solution.
- Submitted requests for the establishment of WTO dispute panels on CBS and False Codling Moth (FCM) regulations of the EU affecting South African citrus producers after an amicable solution could not be found during formal consultations

Green Economy



The South African Renewable Energy Master Plan, approved by Cabinet on 26 March 2025, highlights the need for strong domestic demand in renewable energy and storage, with clear procurement guidelines. Key actions for dtic include:

1. Supporting IPPO and Eskom on localisation goals.
2. Attracting investment in SEZs/IDZs/industrial parks.
3. Collaborating with DSI on affordable testing, certification, and quality standards.
4. Exploring end-of-life industries in renewable energy and storage.
5. Aligning with sector masterplans to boost local materials.
6. Pursuing import duty exemptions and Customs Control Area benefits at SEZs.
7. Promoting renewable energy and storage exports via bilateral trade instruments.

Green Hydrogen:

The IDC's Project Management Office has been established. 5 Key projects, is currently showing promising financial viability, especially for exports to the Far East. Funding remains a challenge, with additional support sought from donor nations.

A draft Decarbonisation Strategy has also been developed.

Transition to EVs

1. **APDP Amendments:** Amendments of the Automotive Production and Development Programme Phase 2 Legislative Framework for the Inclusion of Electric Vehicles and Associated Components have been completed.
2. **AIS Guidelines:** The relevant amendments to the existing Automotive Investment Scheme (AIS) guidelines are being finalised to align with APDP 2 amendments and the EV legislative framework.
3. **Tax Incentives (National Treasury):** The Taxation Laws Amendment Act, gazetted on 24 December 2024, introduces a 150% capital allowance for qualifying investments in EV and hydrogen vehicle production. It covers assets such as buildings, plant, and equipment brought into use between 1 March 2026 and 1 March 2036. This incentive followed public consultation processes conducted by the National Treasury and SARS in Q3.
4. **Battery Value Chain Development:** A national Critical Minerals Strategy and Battery Value Chain Master Plan are being developed in collaboration with the DMRE, DTIC, and World Bank. Various workshops have been conducted aimed at building regional supply chain capacity.
5. **Skills Development & Certification:** A comprehensive Skills Gap Analysis was completed under the EV Skills Workstream. Curricula and certification programmes are now being developed with TUT, CPUT, DUT, and UNISA. A pilot project involving 100 students is expected to be rolled out in Q1 once the academic materials are finalised.



Industrial Interventions

Development of the Revised Industrial Strategy

- The National Industrial Policy (NIP) is informed by the policy priorities of the Government of National Unity and is centred on bringing about inclusive growth and job creation; reducing poverty; and building a capable, ethical and developmental state.
- It aims to foster industrial growth and transformation of the economy thereby ultimately growing much needed jobs for the benefit of the South African citizens.
- The NIP has been developed with a clear understanding that a “business as usual” approach will not give the country the opportunity to escape the low-growth trap and de-industrialisation the economy has been subjected to over the last decade.
- This industrial policy aims at high levels of productivity, investments, innovation and technological upgrading; job creating; and the environmental sustainability of the economy. Furthermore, it aims to position South Africa to take advantage of emerging opportunities created by geopolitical, economic, climate and technological transitions while mitigating the risks.

Development of the Cannabis Commercialisation Strategy

- The Hemp and Cannabis Commercialisation policy is currently undergoing internal dtic consultation and approval processes.
- The Cannabis sandbox for the Indigenous Knowledge Community has been supported by **the dtic** and other relevant departments including DoA, DSBD, DoA is now working on the special authorisation for the use of indigenous landrace strain in the Cannabis experimental trials including biodiesel, ensuring compliance with legal framework in consultation with the DoJ.
- **The dtic** Incentives branch has extended funding support to qualifying companies in the hemp and cannabis sector, and several applications have been received and ongoing feedback provided to applicants.
- Established the PMU to facilitate and provide support in the implementation of the cannabis master plan. A programme of action was developed by **the dtic** and the PMU targets quick wins in the cannabis sector.
- The department has elevated the Cannabis industry contribution to the GDP to target 10% growth in its APP/5-year strategic plan.
- Published 2 Standards SANS8398 (quality management systems) and SANS8309 (Stability testing for Cannabis based products), closing date of 29th March 2025.

Industrial Interventions

Agro Processing and Resource Based Industries

- Tiger Brands, a food processing company, revealed a new peanut butter manufacturing facility for its Black Cat brand in Chamdor, Krugersdorp on April 12, 2024, with a R300 million investment.
- PG Bison commissioned the medium-density fibreboard (MDF) line in May 2024, at the Mkhondo manufacturing facility in Mpumalanga and the full commercial operation was set for 1st July 2024. The company invested a total of R2.62 billion in the Boksburg Mill and Mkhondo. The new production line in Mkhondo has been commissioned and was officially launched on the 08th of October 2024
- A joint fund of R500 million was established by the Departments of Trade, Industry and Competition and Small Business Development to support township and rural businesses, including community convenience shops. The funding was for the refurbishment of businesses and non-financial support in terms of technical skills, regulatory compliance and capacity building.
- Tongaat Hulett invested R460 million in off-season maintenance and improvements to its mills, refinery, and animal feed facility, preparing for the upcoming 2025/26 sugar season.
- AgriSETA approved a R500 000 funding to SAPA for Poultry Sector Skills development in the Quarter.

Automotives Master Plan

- Volkswagen South Africa (VWSA) invested R4 billion in their Kariega assembly plant, introducing a new SUV model based on the Polo platform, positioning the facility as the sole global manufacturer of the Polo brand and the new SUV for export. This investment contributed to securing 3,500 direct jobs and fostering 50,000 indirect jobs in the Eastern Cape. The VWSA plant in Kariega concluded the year on a high note by celebrating a production record of 167 084 vehicles built in 2024. This is the highest number of Vehicles produced at the plant Kariega since the first Beetle rolled off the production line 73 years ago.
- Ford South Africa's Silverton Manufacturing Plant in Pretoria celebrated producing its one-millionth Ford Ranger, marking 24 years of local production. This milestone highlighted the Ranger's evolution over three generations, becoming a cornerstone of Ford's local line-up and a major export.
- Toyota Tshusho Africa and OgiharaThailand invested R1,1 billion for the construction of a new plant in the Dube TradePort, in Durban to produce vehicle body parts for Toyota South Africa Motors(TSAM). The joint venture is known as Ogihara South Africa. The facility is expected to boost TSAM's local procurement by an estimated R700 million a year.

Industrial Interventions

Steel Master Plan

Government Intervention Helps Defer Closure of Arcelor Mittal South Africa (AMSA) Long Steel production

- The government, led by the Minister of Trade, Industry, and Competition, effectively helped AMSA defer the planned closure of its long steel plants for an additional six months, preserving 3,500 direct jobs and thousands in its ecosystem, which includes downstream mining, construction, and automotive industries, while stabilising the domestic steel value chain.
- AMSA, which had previously announced its intentions to cease operations due to rising input costs, energy challenges, logistic network challenges and reduced demand, reversed course following strategic interventions from Government.

Key measures undertaken by Government included:

- Financial Relief: Provision of targeted financial support through the IDC Loan facility of R1, 68 billion eased the company's immediate cash flow pressures.
- TERS : The Company also received a Temporary Employee Relief Scheme ("TERS") grant to assist in funding employee costs and undertook to apply any TERS funding received in respect of employee costs relating to the Longs Business, to reduce the draw down required against the IDC facility.

Transforming the rail sector

- In July 2024, the African Development Bank Group approved a R18.85 billion corporate loan to Transnet for its recovery and growth plans. The 25-year loan was fully guaranteed by government and will help Transnet to execute a comprehensive Recovery Plan, addressing operational inefficiencies, particularly in rail and port sectors.
- In August 2024, the New Development Bank (NDB) announced a R5 billion loan agreement with Transnet. This investment was aligned with the theme of NDB's 9th Annual Meeting, "Investing in a Sustainable Future," and will support the modernisation and improvement of South Africa's freight rail sector.
- On 4 September, Petredec and Transnet Freight Rail entered an agreement to enhance LPG Distribution in South Africa. This landmark project, featuring a dedicated train system, modern LPG intermodal hub and storage facility at Sentrara in Gauteng, marked a significant milestone and investment in the country's energy infrastructure, which was needed to meet the growing demand for LPG over the coming decades.

Localisation

- SCAW Metals commissioned its flat steel product mill during the quarter, with the ever first trail-run hot-rolled coil (HRC) being produced, heralding the introduction of competition into South Africa's flat steel market in March 2025 since commissioning of their R5.5 Billion narrow strip mill for policy advocacy and to forge relationships in line with the Steel Masterplan

Critical Minerals Strategy

The South African government has identified and prioritised critical minerals as being important for the industrialisation of the South African economy. It is important that that critical minerals are developed for stationary and mobile applications. The policy frameworks such as the Electric Vehicle White Paper and the Green Hydrogen Commercialisation Strategy are aimed at providing markets for these minerals, when beneficiated locally, creating employment opportunities for the country, and contributing positively to the country's economic growth.

- ❑ **The Critical Minerals Strategy (CMS)** was approved by cabinet and announced by Minister Mantashe to media houses on 20 May 2025. The strategy marks a significant step toward enhancing South Africa's position in the global minerals sector.
- ❑ **The target of completing the Critical Minerals Strategy by the end of the 2024/2025 financial year has therefore been met.** The strategy will directly inform South Africa's long-term economic growth, focusing on minerals that are pivotal to the country's development priorities.
- ❑ **The CMS identifies 21 priority minerals** essential to South Africa's economic development, laying the foundation for targeted beneficiation and value addition initiatives. These projects will stimulate key industries, create jobs, and drive sustainable economic growth.
- ❑ **The Strategy emphasizes regional integration among others**, advocating for the creation of regional value chains that align with the African Union's Africa Green Minerals Strategy (AGMS). This will strengthen intra-Africa trade, foster cooperation, and support the continent's broader economic and environmental goals.
- ❑ **An implementation, monitoring, and evaluation plan** accompanies the strategy, however, a task team has been set up to improve the implementation plan and this team is expected to report back to cabinet in the next 3 months



Amendment to Regulations and Application Notices

Merchandise Mark Act & Housing Development Schemes for Retired Persons Act

- ❑ The final Notices for the applications for the use of the SA national flag and the logos or marks in terms of section 15 of the Merchandise Marks Act of 1941 were published for the Private Securities Regulatory Authority (PSIRA), Robben Island Museum, Public Service Commission, Stellenbosch university, Business Unity South Africa and Astral Operations (Pty) Ltd.
- ❑ The final Notices for the Housing Exemption Schemes for the Bridgewater Manor (Pty) Ltd and Helderberg Society for the aged were approved by Minister and one for Helderberg was published in the gazette.



Companies Amendment Act and Companies Second Amendment Act

- ❑ The two Companies Amendment Acts came into force on 27 December 2024.
- ❑ The presidential proclamations were gazetted on the Companies Second Amendment Act, 2024, along with several sections of the 2024 Companies Amendment Act.

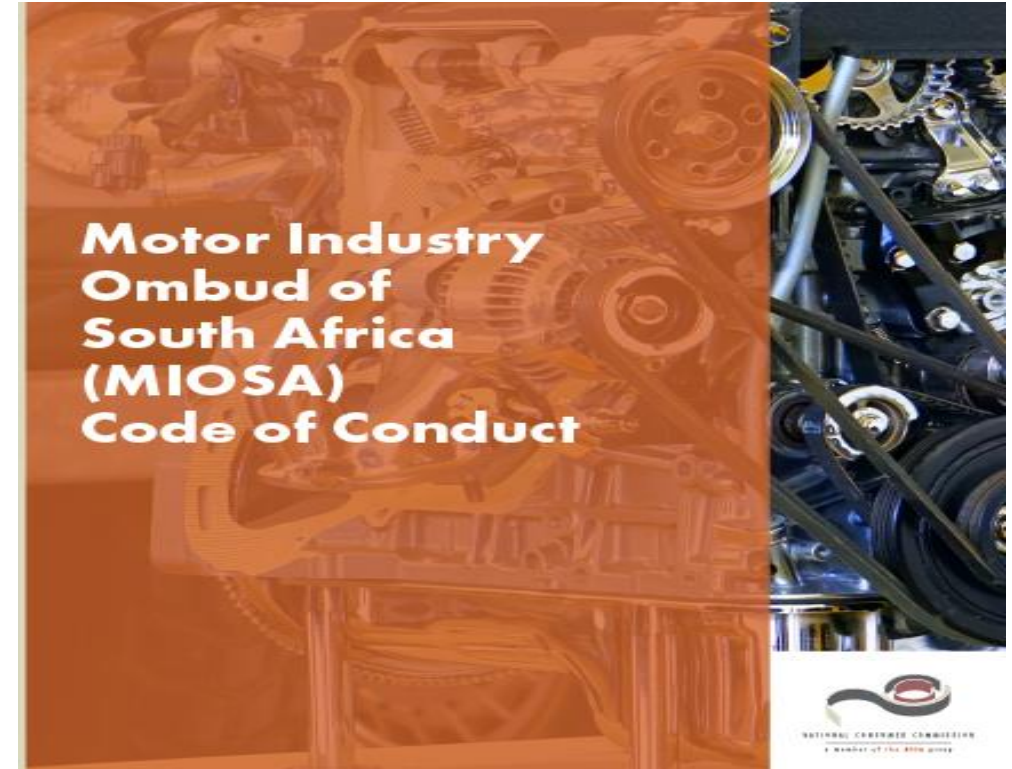


Consumer Protection Regulation & Motor Industry Codes

Consumer Protection Regulation

- ❑ The draft regulations to block unwanted direct marketing were gazetted.
- ❑ **the dtic** called on all stakeholders and interested parties to submit comments on the draft amended Regulations of the Consumer Protection Act (CPA 68 of 2008). Regulations provides mechanisms to block unwanted direct marketing communication.
- ❑ The Minister of Trade, Industry and Competition, Mr Parks Tau, published the amended Regulations in the Government Gazette on 28 October 2024, giving interested parties forty-five (45) days to submit their comments.
- ❑ This is a significant milestone because the South African consumers are constantly exposed to intrusive marketing, and this has significantly increased over the years. With the **Opt-Out Registry**, direct marketers must be registered and should ensure that when contacting any consumer for direct marketing that they do not contact any consumer that has registered a pre-emptive block on the Opt-Out Registry.
- ❑ The National Consumer Commission will implement and enforce the regulations.

Consumer goods & services and motor industry codes



- ❑ **2 Codes on Consumer Goods and Services and Motor Industry were developed and submitted to Minister for gazetting.**
- ❑ **The review of the Codes provides for enhanced corporate governance principles such as reporting, transparency and consultation, resolve dual membership issues, and provide for Board composition and representation.**

Regulatory Support Measures & Economic Research

Regulatory support measures

- ❑ The publication of Notice in the gazette for the **repeal of the North West liquor Act of 1989** and the coming into operation of the North West Liquor Licensing Amendment Act of 2016 as amended by the North West Liquor Licensing Amendment Act of 2019 by 1 April 2025, finalised by Minister of Trade, Industry and Competition in terms of the Liquor Act of 2003.
- ❑ Publication in the gazette of a **Directive to waive 20 days in the deregistration of companies or close corporations by CIPC** for non-compliance with the submission of Annual Returns and latest Beneficial Ownership Declaration to address the FATF requirements on grey listing.
- ❑ Business rescue seminar held with Directors of companies on the **role of Directors in business rescue proceedings on 26 March 2025**. A total of 145 participants from companies in diverse sectors and industries, including beneficiaries of the Black Industrialist Incentive Scheme, registered.
- ❑ **Draft E-commerce Strategy developed** and submitted to Minister for consideration.
- ❑ The updated version of the draft policy discussion document on the **commercialisation of hemp and cannabis was finalised** on 11 September 2024.

Economic Research

- ❑ Production of market intelligence and trade opportunities reports aimed at providing market intelligence on possible markets and products that could be leveraged by South African based exporters.
- ❑ Economic Barometers reports reflecting 'real economy' trends, covering manufacturing employment, trade, GDP, investment and economic modelling forecasts.
- ❑ Development of training Programme to increase digital skills for 10 000 unemployed youth.
- ❑ Modelling the economy-wide impact of certain economic policy scenarios to assist government economic planning by identifying and quantifying actions the government needs to take to grow the economy to meet NDP objectives.
- ❑ Quarterly surveys for black industrialists and black owned firms supported by **the dtic** and its entities. These surveys reflect growth by black industrialists in terms of output and employment amongst others.
- ❑ Coordination of strategic engagements with in the ESIEID and NEDLAC structures; including leading the development of the MTDP, approved by the Cabinet in February 2025.

Overview Of The Financial Performance – 31 March 2025

1 April 2024



31 March 2025



R 9.67 billion

Adjusted Budget



R 9.6 billion

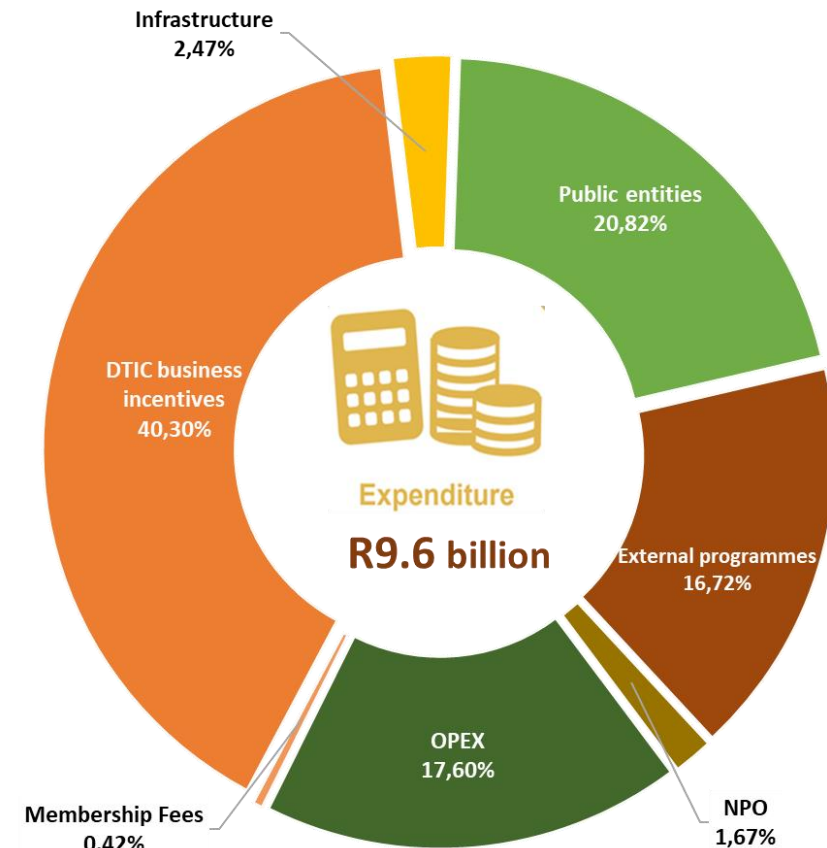
Spent as at 31 March 2025

Spent as % of budget = 98.9%

R9.6 billion was disbursed as follows:

- **R4.08 billion** or **42.77%** - Beneficiaries across various incentive programmes
- **R1.99 billion** or **20.82%** - Public entities
- **R1.68 billion** or **17,60%** - Operational costs
- **R1.59 billion** or **16.72%** - External programmes at the IDC & CSIR
- **R159.54 million** or **1.67%** - Non profit organisations
- **R40 million** or **0.42%** - International organisations of which South Africa is a member.

Spending categories as % of total expenditure



Financial Performance Per Programme And Economic Classification

| | Final Budget 2024/25 | Actual expenditure 31 March 2025 | Variance | % Variance | Expenditure as % of final budget |
|--|-------------------------|--|----------------|---------------|--|
| Description | R'000 | R'000 | R'000 | | |
| Programme 1: Administration | 876 445 | 848 713 | 27 732 | 3,2% | 96,8% |
| Programme 2: Trade | 242 832 | 237 079 | 5 753 | 2,4% | 97,6% |
| Programme 3: Investment and Spatial Industrial Development | 150 088 | 147 111 | 2 977 | 2,0% | 98,0% |
| Programme 4: Sectors | 1 320 835 | 1 312 230 | 8 605 | 0,7% | 99,3% |
| Programme 5: Regulation | 351 213 | 345 911 | 5 302 | 1,5% | 98,5% |
| Programme 6: Incentives | 4 263 882 | 4 251 220 | 12 662 | 0,3% | 99,7% |
| Programme 7: Export | 358 360 | 339 688 | 18 672 | 5,2% | 94,8% |
| Programme 8: Transformation and Competition | 2 050 547 | 2 039 659 | 10 888 | 0,5% | 99,5% |
| Programme 9: Research | 53 442 | 37 118 | 16 324 | 30,5% | 69,5% |
| Total | 9 667 644 | 9 558 729 | 108 915 | 1,1% | 98,9% |
| | | | | | |
| Economic classification | | | | | |
| Current payments | 1 734 507 | 1 641 090 | 93 417 | 5,4% | 94,6% |
| Compensation of employees | 1 041 180 | 1 004 243 | 36 937 | 3,5% | 96,5% |
| Goods and services | 693 045 | 636 566 | 56 479 | 8,1% | 91,9% |
| Interest and rent on land | 282 | 281 | 1 | 0,2% | 99,8% |
| Transfers and subsidies | 7 897 363 | 7 881 981 | 15 382 | 0,2% | 99,8% |
| Incentive payments | 4 098 272 | 4 088 223 | 10 049 | 0,2% | 99,8% |
| Department entities | 1 990 362 | 1 990 362 | - | 0,0% | 100,0% |
| External Programmes | 1 601 258 | 1 597 979 | 3 279 | 0,2% | 99,8% |
| Non profit organisations (Partnerships with business associations, NEDLAC) | 161 150 | 159 542 | 1 608 | 1,0% | 99,0% |
| Membership fees (International organisations) | 40 511 | 40 135 | 376 | 0,9% | 99,1% |
| Households | 5 810 | 5 740 | 70 | 1,2% | 98,8% |
| Payments for capital assets | 18 520 | 18 405 | 115 | 0,6% | 99,4% |
| Payments for financial assets | 17 254 | 17 253 | 1 | 0,0% | 100,0% |
| Total | 9 667 644 | 9 558 729 | 108 915 | 1,1% | 98,9% |

THANK YOU

