TUESDAY, 23 JUNE 2026

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PROCEEDINGS OF HYBRID NATIONAL COUNCIL OF PROVINCES

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The Council met at 14:05.

The Chairperson took the Chair and requested members to observe a moment of silence for prayers or meditation.

The Chairperson announced that the hybrid sitting constituted a sitting of the National Council of Provinces.

APPROPRIATION BILL

(Policy debate)

Debate on Budget Vote No 42 - Land Reform and Rural Development:

The MINISTER OF LAND REFORM AND RURAL DEVELOPMENT: Hon Chairperson of the NCOP, hon permanent and special delegates to the NCOP, hon premiers and MECs here present, chairperson and members of the Select Committee on Agriculture, Land Reform and Mineral Resources, government officials and fellow South Africans, it is a singular honour to present Budget Vote 42 of the Department of Land Reform and Rural Development for the 2026-27 financial year to the National Council of Provinces.

This House carries the voice of provinces and its work brings national policy closer to the conditions of communities, municipalities, communal areas, restitution projects, redistributed land reform farms, small towns and rural households. It is for this reason that this Budget Vote must speak to service delivery in the provinces.

The work of our department remains directed towards the realisation of constitutional objectives and discharging of the legislative and policy responsibilities entrusted to it. These include equitable access to land, restitution of land rights, tenure security, sustainable rural livelihoods, rural prosperity, land administration and improved spatial governance across government. These responsibilities speak to the long history of dispossession, poverty, inequality, social exclusion, underdevelopment and uneven spatial development.

Land remains one of the most serious issues confronting our democracy. As I am sure all of us will agree, land is intimately linked to the national quest to promote and protect the dignity of our countrymen and women. It is also closely linked to the drive to promote sustainable livelihoods, provide safe and well-serviced living spaces, as well as the delivery of a wide range of other developmental, social and economic interventions. Most of all, land is a key driver of efforts aimed at ensuring a better future for communities in the areas in which they live.

It goes without saying that the success of land reform also lies in its effectiveness implementation across government. It is therefore in this context that our department continues to contribute to the work of Inter-Ministerial Committee on Land Reform and Agriculture, which is chaired by the Deputy President. This structure assists government to improve co-ordination, reduce duplication, strengthen oversight and align land reform with agricultural development.

The department cannot deliver this mandate alone. It must work with provincial governments, municipalities, traditional leadership institutions, public entities, communities, farmers, land reform beneficiaries and social partners. The

NCOP has an important role in this work as it can help in ensuring that service delivery is monitored effectively in the provinces, that blockages are identified early and that commitments made by government are translated into practical results.

Over the medium-term, the department’s budget amounts to R32,1 billion, with an allocation of R10,336 billion being set aside for the 2026-27 financial year. This allocation must support our service delivery work across various programmes in all the constitutionally and legislatively mandated functional areas already mentioned.

During the reporting period, the department acquired 53 000 hectares of land and allocated more than 35 hectares to qualifying individuals and communities. In accordance with the Cabinet-approved beneficiary selection and land allocation policy, approximately 20 000 hectares were elected to women and 13 000 hectares to youth beneficiaries. While this is progress, we accept that more needs to be done.

In this regard, the areas of priority that we are focussing upon moving forward include continuing to prioritise equitable access to land for women, youth and persons with disabilities.

We have also made a conscious commitment to increase such work in relation to military veterans, former political prisoners and other qualifying beneficiaries.

In strengthening tenure security, during the reporting period, approximately 7 000 hectares were allocated and transferred to more than 700 farm dwellers and labour tenants. With the support of the Special Master of Labour Tenants, 61 labour tenant matters were finalised. A further 313 of such matters were referred to court where negotiations with landowners could not be concluded successfully. Additionally, approximately 206 000 hectares of land were transferred from the state to affected communities under the Tenure Reform Programme through the implementation of Transformation and Certain Rural Areas Act 94 of 1998.

The department's total provincial budget allocated for the 2026-27 financial year is R6,475 billion. In terms of the provincial breakdown, KwaZulu-Natal receives R1,324 billion, Eastern Cape receives R1,189 billion and the Limpopo province R995 million. A total of R817,2 million goes to Mpumalanga, R677,4 million to North West province, R487,8 million to Western Cape and R373,4 million goes to Gauteng province. The

Northern Cape receives R307,9 million, while the allocation for Free State is R302,6 million.

In terms of programme design and associated delivery mechanisms, the department seeks to ensure that these allocations will achieve the requisite positive impact in changing the lives of our people in these provinces. These allocations must therefore translate into meaningful and impactful assistance to restitution claimants, support land reform projects and advance tenure reform.

Given the critical importance of rural development, these allocations must also result in real and tangible improvements of rural infrastructure, livelihood and place our rural areas and communities firmly on the path towards sustained prosperity. They must also provide a strong platform for supporting women and young people to gain appropriate skills and to leverage opportunities for their upliftment.

The department has budgeted R630 million for the 2026-27 financial year for the acquisition and allocation of 57 751 hectares of land for redistribution and tenure-related purposes. It will further support 60 farms through Land Development Support Programme, while continuing to strengthen production support and rural infrastructure interventions. An amount of approximately R388 million has been allocated for infrastructure and production support linked to these interventions.

As we have pointed out on a number of occasions, the governance and functionality of communal property associations, CPAs, remain a serious area of the department's concern and focus. In this regard, we are pleased to indicate that we have not ended with only making this observation, but we have also initiated a range of interventions that are aimed at overcoming this challenge. Towards this end, during the reporting period, the department exceeded its planned target of training 790 CPA executive members in governance, financial management, land administration and institutional management related matters by training 821 participants.

We will continue relentlessly in our efforts to resolve the conundrum relating to CPAs until we are satisfied that they are able to manage the land they hold, on behalf of their members and govern their affairs properly. All CPAs, without exception, must account lawfully and diligently to their members, manage assets efficiently, resolve internal disputes satisfactorily and protect community interests effectively in a sustainable manner.

As reported on previous occasions, over the past year and a half we conducted ministerial roadshows in all nine provinces during which we interacted directly with 507 CPAs and 2465 members. The issues that were raised during these engagements have consistently pointed to governance instability, internal disputes, weak accountability systems, business and unsustainability, inadequate post settlement support and poor relationships between some CPAs and traditional institutions. We have already announced that a CPA Indaba is to be held towards the end of this year, whose main purpose is to strengthen governance, improve accountability and place CPA reform on a more stable and firm footing.

The department plans to train 808 CPA executive members during the 2026-27 financial year. The provincial breakdown in this regard is as follows: 120 in the Eastern Cape, 54 in the Free State, 32 in Gauteng, 120 in KwaZulu-Natal, 115 in Limpopo, 106 in Mpumalanga, 96 in North West, 101 in Northern Cape and 64 in the Western Cape.

The restitution programme remains a key part of land reform as it seeks to address land dispossession through forced removals that were informed by and executed through racially discriminatory laws and practises implemented after 19 June 1913. As at 31 December 2025, a total of 83 721 land claims had been resettled through the programme. These settlements benefited 2 396 613 individual beneficiaries and 468 761 households. Of these households, 181 411 were female headed and 1 291 headed by persons living with disabilities.

Since its inception in 1995, the restitution programme has restored 3,9 million hectares of land to beneficiaries at a cost of approximately R27 billion. In addition, R27,6 billion has been paid as financial compensation to qualifying beneficiaries, while R5,5 billion has been allocated in development grants in terms of section 42C of the Restitution of Land Rights Act 22 of 1994 as amended.

The Commission on Restitution of Land Rights plans to settle 307 claims and finalise 284 during the 2026-27 financial year. The number of outstanding old order land claims, that is, those were lodged on or before the cutoff date of 31 December 1998, currently stands at 5 245. The 307 claims planned for settlement include 40 in the Eastern Cape, 27 in Gauteng, 95 in KwaZulu-Natal, 45 in Limpopo, 52 in Mpumalanga, three in North West, one in the Northern Cape, and 44 in the Western Cape.

The 284 claims planned for finalisation include 30 in the Eastern Cape, two in the Free State, 35 in Gauteng, 87 in KwaZulu-Natala, 20 in Limpopo, 48 in Mpumalanga, 13 in North West, three in the Northern Cape, and 46 in the Western Cape.

The process of institutionalising the necessary mechanisms for processing new order claims, that is, those that were lodged when the lodgement window was reopened between 2014 and 2016, will also begin during this financial year. This exercise will involve ensuring compliance with the court injunctions relating to the new order land claims, which will include bringing new legislation to give effect to the necessary processes.

The commission has been allocated R3,839 billion for the current financial year. This allocation supports compensation of employees, operational requirements, transfers to households, and capital expenditure required for restitution implementation.

The rationalisation of apartheid laws remains a long-standing matter. Many of these laws remain on the statute book and continue to impose undue difficulty to the work of the department in carrying out its land reform mandate. This work is to be concluded under the auspices of a retired judge whose appointment process is underway.

The comprehensive land audit, which was also initiated during the previous financial year, will assist in resolving the continuing lack of clarity and disputes around the amount of land in possession of the state. It will also assist in relation to communal land, including the question of how far our country has gone from the 13% of land originally accessible to Africans during the apartheid period. This should include land that has changed hands through market mechanisms. Most importantly, the comprehensive land audit will bring greater certainty about current land ownership patterns in South Africa, including in terms of race, gender, business entity, trust, regional distribution, and nationality.

A process of reviewing and amending the existing beneficiary selection and allocation policy that was initiated during the previous year is also reaching finality. The purpose of this exercise is to ensure that the policy provides adequately for people who lack the financial and educational requirements that are mandatory in terms of existing iteration of the policy. This is notwithstanding the fact that many potential applicants consistently demonstrate the potential to farm successfully under difficult conditions of land shortage and infrastructure deficits in communal areas. The amended policy also strengthens provisions relating to military veterans and former political prisoners.

The Equitable Access to Land Bill is aimed at giving effect to section 25(5) of the Constitution, and it will serve as the flagship of the redistribution programme. In this regard, provision has been made for the establishment of a land reform agency as the primary land redistribution service delivery institution, whose responsibility will focus on land and beneficiary identification, allocation, and post-settlement support.

The development of Communal Land Tenure and Administration Bill, whose main objective is to give effect to section 25(6) of the Constitution, is also at an advanced stage. The Bill seeks to address the constitutional requirements to ensure legally secured tenure for millions of residents of the former homelands and other communal areas. It also seeks to introduce a democratic, gender responsive, and youth empowering system of communal land administration in which communities and traditional leaders work together in a mutually supportive manner.

It is also absolutely imperative to bring stability to the Ingonyama Trust Board and its relations with all role players, including the king and the department. This process is therefore being expedited.

The deeds registration function continues to provide legal certainty in relation to registered rights in land and property. It supports housing, delivery, municipal administration, infrastructure investment, and broad economic activity. During the 2026-27 financial year, the department will continue to advance the implementation of electronic deeds registration system as part of a broader effort to modernise land registration system.

The national geomatics management services function remains important to land administration, infrastructure development, geospatial co-ordination, investment certainty, and spatial planning. The department will thus continue to strengthen the cadastral survey processing and maintain the integrity of land parcel information required for orderly development and secure property registration.

The spatial planning and land use management function assists spatial transformation, co-ordinated development, infrastructure alignment, and climate responsive planning. During the 2026-27 financial year, the department will continue to implement the National Spatial Development Framework 2050 and advance the development of the National Spatial Data Observatory. These instruments support evidence-based planning, budgeting, infrastructure investment, monitoring, and spatial co-ordination across government.

Support to provinces and municipalities will continue through assistance relating to spatial development frameworks, wall-to-wall land use schemes, municipal bylaws, and broader land use management implementation support. The department will also continue to expand the drone remote sensing programme and develop climate responsive land use management norms and standards aligned to the Spatial Planning and Land Use Management Act 16 of 2013, otherwise known as PLUMA, and the Climate Change Act 22 of 2024.

Based on these experiences on spending patterns during the previous financial year, which admittedly leave much to be desired, we have called upon the department to decisively improve spending discipline. This includes strengthening financial controls, monitoring projects against expenditure more closely, and ensuring that deployment of public resources results in visible delivery.

We therefore commit to this House that the department will continue to focus on implementation, accountability, and provincial impact. We recognise the vital role of the NCOP in this regard, particularly in assisting us to ensure that land reform and rural development are measured by practical results in the provinces.

My colleague, Deputy Minister Stanley Mathabatha, will cover functional areas of rural development more expansively, including the relevant policies, plans, and programmes. Allow us to thank Deputy Minister, the Acting Director-General, senior management, and all officials of the department for their continued work and commitment. Thank you very much, hon Chair.

Mr M G MODISE: Hon Chairperson, hon Deputy Chairperson, hon Chief Whip, hon Minister, hon members of the National Council of Provinces, members of the executive council present online, special delegates, and People of South Africa ...

IsiZulu:

... sanibonani.

English:

Hon members, today we pause to remember Boipatong. On 17 June 1992, violence was unleashed on a sleeping community of Boipatong in the Vaal. Armed men entered Boipatong and killed 45 people: men, women, children, babies and grandparents. The youngest victim was nine months old. Entire families wiped out in minutes. This was not random. This was not spontaneous. It happened during negotiations, now when South Africa was choosing between war and peace, Boipatong was meant to break that choice. We remember Boipatong because memory is accountability. The massacre exposed the brutality of apartheid state and its third force operations.

It nearly collapsed Convention for a Democratic South Africa, Codesa. It forced the world to see what communities like Boipatong lived with daily. A war against a civilian designed to derail democracy. We remember because the victims were not statistics. We say their names: Johana Baleni, 45 years old, and her children, Neo, who was nine, and Puleng, who was four, Glady Mokone, 50 years old, and her grandson Thabo, who was two, Maria Mthembu, 64, killed protecting her grandchildren and 39 others, each with a name, a story and a future stolen. We remember because the survivors carried the scars. The trauma of that night did not end at sunrise. It lives in the empty chairs at family gatherings. It lives in the silence of children who grew up without parents.

Boipatong teaches us three things: One, peace is not passive, it had to be fought for, and it must be protected; two, the state must never be turned against its people, when security forces become complicit in murder, democracy dies; and three, justice delayed is dignity denied. Many families of Boipatong still wait for full truth, for reparations and for closure. Land justice, spatial justice and economic justice are the unfinished work of Boipatong. Boipatong wants to build a South Africa that those 45 never saw. It is to defend democracy, strengthen community policing, invest in Boipatong and tell the truth to our children.

Out of that horror came renewed resolve because three months later the record of understanding was signed and therefore 18 months later South Africa voted for the very first time. To the people of Boipatong, this House sees you. This House remembers you. Your loss was not in vain. The 45 who were taken, rest in peace. We hold the freedom you paid for.

IsiZulu:

Hambani kahle ...

English:

... and we’ll never forget you. We gather today not to rehearse the grievances but to accelerate solutions. Land is the foundation of dignity, production and nationhood. 30 years into democracy, the pace of land reform remained too slow for the urgency of justice and too uncertain for the demands of growth. The mandate before us is clear. Expedite land reform for land justice and ensure that acquired land is productive, commercially viable and contributes to the inclusive economic growth. What we need to do, we must support the Commission on Restitution for Land Rights to finalise outstanding claims, delays in injustice. Each unresolved claim is a family still waiting, a community still dispossessed.

We must resource the commission fully, digitise the records and send binding timelines per district. However, settlement without productivity is a false victory. Land returned must become land worked. Post-settlement support package must be strengthened and made mandatory, not optional. This means comprehensive farmer assessments before transfer, so beneficiaries know exactly what they are receiving, compulsory mentorship and production finance for five years post-settlement, tied to commodity-specific support for the Department of Agriculture, and infrastructure recapitalisation so that water, fencing and equipment do not collapse on day one. Justice is not the title deed. Justice is a tractor in the field, harvesting the silo and the income in the bank. Redistribution must move faster. It must be deliberate.

We cannot transform agriculture if ownership remains concentrated. Our interventions must target equitable ownership of agriculture production, not just hectares. This requires a blended approach: One, strategic land acquisition in high-potential corridors guided by land audits; and two, beneficiary selection that prioritises women and youth because transformation without gender and generational equity is incomplete. Women have been custodians of food security, but they are not owning land. Youths are a future in farming. Their access must be financed, trained and secured.

Graduate lease to own models for large commercial farms so that experience is built alongside ownership. Land for human settlement is also land to justice. Spatial apartheid persists in every district. District Six here in the Western Cape is our national roadmap. The District Six redevelopment plan must be unblocked. The challenges of intergovernmental co-ordination between national, province and City of Cape Town have delayed healing for too long, hon Farmer. We need a single empowered implementing agent with a fixed budget and a fixed deadline. We owe the claimants more than reports. We owe them keys.

To deepen reform, we need institutional architect fit for purpose. We support the establishment of the Land Reform and Agricultural Agency. A single agency will consolidate fragmented mandates, cut red tapes and drive delivery with a commercial mindset. It will house technical expertise, manage land fund and partner with commodity organisation to ensure viability. We further support the Equitable Land Access Bill. The current willing buyer, willing seller framework has proven to be too slow and too expensive. The Bill gives us a regulatory framework to identify, acquire and allocate land at scale with just an equitable compensation as guided by section 25 of the Constitution.

Critically, land reform must be physically sustainable. We must explore agricultural land taxation. Idle underutilised or speculative land holdings undermine both justice and production. A land tax will incentivise production use, discourage land banking and create a dedicated revenue stream to fund acquisition, post-settlement support and infrastructure. Those who use land productive will pay less. Those who hold it for speculation will contribute to the redistribution. Communal Property Association, CPA, are central to rural transformation. Yet too many CPAs have been hijacked by elites, collapsed through poor governance or left without support. This reserves the gain of reform.

We must strengthen institutional mechanism through Communal Property Association Amendment Act, ensuring proper constitution, financial controls and dispute resolution. We must provide dedicated technical support units in each province to train CPA executive on governance, production and asset management. We must protect CPAs from capture through annual audits, public beneficiary registers and criminal sanctions for fraud. We must link CPAs to value chains so that communal land becomes commercially viable through joint ventures, contract farming and equitable partnership. Communal land is not dead capital. It is a living land. It must be worked for its members, like Bahlakwana ba Manzimnyama in Mpumalanga, the Richtersveld in Northern Cape and Bantu Bonke in Gauteng. Yes, hon Pienaar, I managed to say it.

Farm workers equity scheme in the Western Cape and beyond have transformative potential that remains under realised. When properly implemented, farm worker equity schemes shift production relations meaningfully. Workers become owners. Adversarial labour relations become productive partnership. We must improve and strengthen worker-farmer equity schemes by standardising governance models to prevent tokenism and ensure real decision-making powers for workers. We must provide patent capital and technical support so that equity translates into dividends, not debt, enforcing compliance so that schemes are not used as funds but genuine transformation tools, scaling up success stories across commodity and provinces. This is how we change the nature of farming from ground up.

Foreign investment is welcome, but foreign land ownership must serve our developmental objective as a country. We cannot allow speculative foreign acquisition to price South Africans out of land markets or distort our aggregate structure. A moratorium on new foreign ownership of high potential agriculture land pending policy review. Lease hold models for foreign agribusiness tied to transformation, local procurement and technology transfer, a public register for foreign land holdings to ensure transparency. Land is a sovereign asset. It must be used to prioritise South Africa’s development first.

We cannot regulate what we cannot measure. The comprehensive public register system of the Republic must be improved to ensure proper land administration. An incomplete paper-based system enables corruption, delays transfer and hides ownership patents. We need a single digital land registry, integrated deeds, surveyor general and municipal data, real-time mapping of ownership, use and claims to guide planning and policy, public access to nonsensitive data so that civil society and researchers can hold us accountable. Data is the foundation of justice and investment. The special master on labour tenants has shown that judicial oversight works. We must fully fund and extend the implementation plan for the settlement of outstanding application.

The provinces with the most claims are KwaZulu-Natal, Mpumalanga, Western Cape and Gauteng and they must be prioritised with dedicated teams. The Ingonyama Trust holds nearly three million hectares on behalf of communities. Stable governance and financial accountability are non-negotiable. We must improve regulation to align the trust with the Public Finance Management Act, ensure transparency in leasing and revenue so that communities see the benefit of their land, support beneficiaries to convert tenants where they choose without cohesion. The trust must be an instrument of development, not a source of conflict.

Finally, land justice is incomplete without gender justice. On communal land, women still face barriers to access and control. Customs must not contradict the Constitution and force women's rights to allocate, inherit and transact land in their own name, train traditional counsel on gender equality and land rights, resource women-led co-operatives on communal land and inputs, training and market access. The vision of section 25 and section 9 of the Constitution demand nothing less.

Hon members, the mechanisms are before us. The Land Reform and Agricultural Agency, the Equitable Land Access Bill, Agricultural Land Taxation and Modern Registry and strengthen CPA and FWES. These are the vehicles. Our task is to implement with agency, protect with integrity and produce with purpose. Land reform is not a threat to agriculture, but a failed land reform is a definite threat. Productivity, equitable, transformed agriculture is the single biggest contributor we can make to inclusive growth.

Let us expedite justice. Let us ensure viability. Let us resolve District Six, settle labour tenants, empower women and youth and make every hectare count. The land must be returned. The land must be worked. The people must benefit. Through you, Chairperson, hon Minister, remember that land is dignity and from the land, a man can engage in economic activities. I thank you, Chair.

Ms N KONTSIWE (Eastern Cape): Good afternoon, hon Chair.

The CHAIRPERSON OF THE NCOP: Good afternoon, hon Kontsiwe. I just want to fix my tongue. Sorry for pronouncing your surname incorrectly. I am being corrected by the Minister, and thank you so much, Minister.

Ms N Kontsiwe (Eastern Cape): Hon Chair, good afternoon to you, and good afternoon to the Minister, Deputy Minister, hon members, permanent delegates and MECs from different provinces. It is an honour to participate in this Budget Vote debate on behalf of the people of the Provincial Government of the Eastern Cape. Land Reform remains central to the unfinished work of democratic transformation.

For the Eastern Cape, with its predominantly rural population, extensive communal land and persistent unemployment and poverty, the question is not only how much land is acquired, redistributed or restored. It is also whether that land becomes productive, developmental, supports sustainable livelihoods and strengthens rural economies.

The scale of the transformation still required is reflected in the available ownership patterns. According to the 2017 Land Audit, based on Deeds Office records as of 2015, individuals owned approximately 4,61 million hectares of farms and agricultural holdings in the Eastern Cape. White individuals owned approximately 3 million hectares or 65%, while African individuals owned approximately 250 000 hectares, which is 5%.

The 2017 report remains the latest completed official national land audit. However, it did not cover every category of landholding, and its figures now require updating. We therefore welcome the national department's commitment to undertake a comprehensive land audit that will provide greater certainty on ownership by race, gender, business entities, trusts, nationality and region.

The ownership pattern already recorded remains deeply unequal. It reinforces the urgency of land reform that expands equitable access, strengthens production and creates sustainable economic opportunities. During the 26-27 financial year, the Eastern Cape is targeting the acquisition of approximately 4 100 hectares for the redistribution and finalisation of the 30 land restriction claims, with financial compensation valued at 17,7 million.

Through the Land Development Support Program, approximately R146 million is being invested across 28 farms under the Stimulus Package Programme carried over from the previous financial years. Production inputs, tools and equipment have been procured while infrastructure development is underway. A further seven projects, with a combined allocation of approximately R59 million, are earmarked for support during this financial year.

Hon Chair and members, we are encouraged by the progress recorded during the previous financial year. A total of 3 356 hectares was allocated to women beneficiaries, advancing economic participation and household food security. The importance of this intervention is underscored by the same land audit, which recorded approximately 3,7 million hectares or 80%, under male individual ownership in the province, compared with approximately 9% owned by women.

This year marks 70 years since the historic Women's March of 1956. The struggle of those women for dignity, freedom and equal citizenship must today find expression in women only managing and productively using agricultural land. The province also trained 127 Communal Property Association Executive Committee members in governance.

Strong administration and accountability are essential because internal conflict and weak governance can undermine otherwise viable land reform projects. Through the National Rural Youth Service Corps Programme, 99 young people received training to improve their employability and prepare them for participation in agriculture and rural development.

As we mark 50 years since the 1976 youth uprisings, the most meaningful tribute to that generation is to ensure that today’s young people gain access to land, skills, finance, markets and genuine opportunities to establish enterprises and create employment.

The next phase of land reform cannot be measured only by hectares acquired or claims circled. It must also be measured by the proportion of redistributed and restitution farms that become sustainable agricultural enterprises, the jobs they create and the extent to which productive land use revitalises rural economies.

One of the priorities of the Eastern Cape agricultural agenda is to support capable communal and smallholder farmers to progress towards commercial production. This requires targeted support that takes account of productive commitment, enterprise potential and readiness to expand. Post-settlement support must therefore be integral to land reform. Beneficiaries require co-ordinated access to production finance, irrigation, mechanisation, infrastructure, extension services, technical assistance and markets.

The Eastern Cape, therefore, encourages closer implementation between the national departments responsible for land reform and agriculture, provincial governments, municipalities, development finance institutions, commodity organisations and the private sector. Fragmented support too often leaves beneficiaries with land but without the means to see it productively. Integrated support gives land reform a far greater chance of successes.

One of the most persistent concerns raised during our community engagements, imbizos and oversight visits is the prolonged finalisation of land restitution claims. Many claimant families have waited for years and, in some instances, decades, without adequate information about the progress of their claims. Some rightful claimants pass away without receiving their restitution, compensation or benefits of the land for which they struggled.

This year marks 30 years since the adoption of the Constitution of the Republic of South Africa. The Constitution committed the democratic state to redress the consequences of dispossession and restore the rights and dignity of those unjustly deprived of land. The Eastern Cape, therefore, calls for a reliable, predictable and transparent mechanism through which communities can track their claims.

Claimants should know where a claim is in the process, which remains outstanding, which institution is responsible, and when the next decision can reasonably be expected. This would improve accountability, reduce uncertainty and strengthen confidence in the restitution process. The final resolution of the outstanding claims must remain a national priority.

Tenure security is equally important for agricultural development. Many black farmers have occupied, invested in, and productively used state-listed farms for several years. They have developed farming operations, created employment, and demonstrated responsible land use. Yet, the absence of secure long-term tenure or ownership remains a serious obstacle to further investment.

As a commercial department responsible for agriculture, we experience these challenges directly. Government programmes, development finance institutions and private investors may be unable to provide long-term funding where a farmer cannot demonstrate secure rights over the property. We also welcome the development of the Communal Land Tenure and Administration Bill as an opportunity to strengthen tenure security, improve land administration, and unlock responsible investment in the communal areas while recognising legitimate customary systems and protecting community rights.

Productive agricultural land should not remain idle while capable farmers seek land, and rural communities continue to face unemployment and food insecurity. We therefore encourage the accelerated release and allocation of suitable underutilised state-owned agricultural land to qualifying black farmers, women and young people, where land has already been acquired but remains unallocated or underused.

The causes of delay should be identified and resolved. Public agricultural land must contribute to production ... [Time expired.] Thank you so much, Chairperson and members.

Mr N H PIENAAR: Chairperson, it’s nice seeing you in the House again.

Hon Chairperson, hon Minister and your delegation, Deputy Minister, my fellow members in the NCOP and as always, most importantly, the citizens at home.

Chairperson, R10,3 billion has been allocated to the Department of Agriculture, Land Reform and Rural Development, DALRRD. Chairperson, the land and ownership thereof has and will always be a contested and sensitive issue in South Africa. No party in this House will object to land being returned to those who were dispossessed. However, this must be done in such a manner that private landowners do not fear land grabs from government. It can soon become a slippery slope, Chairperson, as we have seen in Zimbabwe.

Minister, we ask you to learn from the mistakes of others, especially since the Expropriation Act of 2025 was signed into law allowing for "nil compensation" in certain circumstances, if deemed to be in the public interest. Chairperson, the concern must be raised: What exactly is in the public interest?

The law vests the power to expropriate with the Minister of Public Works and Infrastructure, Minister of Petroleum and Minerals, and Minister of Agriculture, Land Reform and Rural Development. What is of particular concern is that the DALRRD is attempting to put on record what it defines as equitable access to land through its Equitable Access to Land Bill. Guess what measure it uses? The colour of an individual's skin.

Afrikaans:

Voorsitter, wetgewing gebaseer op die kleur van 'n mens se vel in 'n demokrasie sal slegs verdeeldheid, polarisasie en konflik skep. Ek sal voortgaan om ras gebaseerde beleide te hammer tot die laaste dag in hierdie Huis. Jy kan nie die foute van die verlede met diskriminasie en verdeeldheid regstel nie. Dit is presies wat dit is, Voorsitter, diskriminasie gebaseer op ras.

English:

Chairperson, what concerns me even more is that government already owns vast amounts of land. The department's own documents indicate that approximately 700 000 hectares of land lies vacant, unused and underutilised. It has already been identified as suitable for distribution since 2020. We are now in 2026, Chairperson. Yet, the Minister continues to spend more time threatening private landowners than explaining what has happened to the land already under government control.

Why are we consistently talking about taking land when government has not yet fully utilised the land that it already owns? This is the question that South Africans should be asking, Chairperson. If the objective is truly empowerment and economic participation, let us start with the state land first. Give people ownership, title deeds and the opportunity to build generational wealth. A lease agreement from government does not create wealth, Chair; ownership creates wealth.

The department's own budget further shows that the overwhelming majority of its funding is directed towards the Land Reform and Restitution Programme, yet, despite billions being allocated year after year, many beneficiaries continue to struggle because government believes handing over land is crossing the finish line. It is not. Land without support is not empowerment. Land without financing is not empowerment. Land without mentorship is not empowerment and lastly, land without market access, colleagues, is not empowerment. It is simply setting people up for failure and then blaming somebody else when that failure occurs.

Chairperson, the department also admits that it faces serious capacity constraints and is becoming increasingly dependent on consultants while critical vacancies remain unfilled. This has become a disease in government, colleagues. Whenever a department cannot do its work, it hires consultants. Whenever a project falls behind, it hires consultants. Whenever accountability is needed, guess what, government hires consultants. The taxpayer is expected to pay twice, one for the department and one for the consultant. Start hiring the correct people, Minister.

At the same time, land claimants continue waiting. The department itself acknowledges that resolving the current backlog of land claims will require approximately R56 billion. R56 billion, Chairperson! That is almost five financial years' worth of funding. Minister, before creating new uncertainty through legislation, perhaps government should first honour the commitments it has already made to claimants who have been waiting years for justice.

Minister, you might not know this, but your job is also to protect landowners and ensure that their rights are protected. Yet, every time we see you on television, we wonder in what new way you intend to threaten, intimidate or undermine property rights in South Africa.

Chairperson, it is a very simple concept. When a Minister threatens landowners, they stop investing in their properties. They stop investing in South Africa. They stop investing in their communities and this is not only true for agriculture; the same applies to mining and manufacturing. The same applies to every sector that relies on long-term investment. Markets withhold investment when there is uncertainty. Investment uncertainty prevents growth and growth uncertainty prevents job creation.

Job creation is exactly what South Africa desperately needs, Minister. I encourage you to become part of the solution and not part of the problem. Protect property rights, Minister. Accelerate title deed ownership, prioritise state land before private land, support emerging farmers properly and create certainty that attracts investments rather than driving it away. Chairperson, I thank you.

Setswana:

Ke a leboga.

Mrs M B NDLANGISA-NODADA: Hon Chairperson and Deputy Chairperson of the NCOP, hon Minister Nyhontso and Deputy Minister, in absentia, hon Mathabatha, distinguished guests, comrades and friends, good afternoon. Let me first begin by acknowledging the traditional custodians of the land under the capable leader of the Congress of Traditional Leaders of South Africa, Contralesa. We honour their heritage and reaffirm our commitment to a just and equitable land dispensation for all who are South Africans. Before going any further in my debate, let me state that ANC supports Budget Vote 42 as tabled by the Minister.

Hon Chairperson, we are considering this budget vote at a critical juncture in our nation's journey. We are three decades into democracy, yet the legacy of the 1913 Native Lands Act, that cruel instrument which confined the indigenous people to a mere 7% of the land still casts long shadow over our society. The pain of dispossession is not a reminder of a past, it is a lived reality of inequality, poverty and unemployment, especially for women in our rural communities. Therefore, hon members, the work of this Department of Land Reforms and Rural Development is not merely administrative in nature, but rather a moral and constitutional imperative to in pursuit of justice to correct the wrongs of the past.

This Budget Vote 42 is our declaration that we will not rest until the scars of our history are healed and the promise of section 25 of our Constitution is a reality for every South African. A woman-centred transformation agenda is even more critical in this regard. Hon Chairperson, allow me to provide a perspective that is often missing from these debates, a perspective of a rural woman. When you talk about land reform, we are talking about women who are the backbone of the rural economies. Statistics South Africa reports that women are the primary providers of food and care in rural household. Yet they have the least security of tenure and the least access to productive resources. That is why the ANC-led government, through this department, has placed women at the very centre of our transformation agenda. We are proud that of the 486 761 households that have benefited from restitution programmes since 1995, 181 411 are female headed households. This is not a merely coincidence, it is a direct result of the policy to prioritise women, youth and people living with disabilities.

The hon Minister of the department previously mentioned that approximately 20 000 hectares of land were allocated to women in the last reporting period, in line with the Cabinet approved beneficial selection and land allocation policy. This should be viewed as a progress. However, we need to guard against complacency. We must do more to ensure that when land is transferred to women it is accompanied by the necessary post settlement support, including access to credit markets and training so they can farm successfully and lift their families out of poverty.

A woman with a security of tenure is a woman who can feed a nation and build a community. Hon members, we are a Government of National Unity, GNU, and the statement of intent that guides this GNU commits us to the Constitution and to finding pragmatic solutions to our challenges. This is the spirit in which we approach land reform. We welcome the framework provided by the Medium-Term Development Plan, which prioritises inclusive growth, poverty reduction and building a capable state. This department is a central pillar in achieving these goals.

The Medium-Term Development Plan calls for building an inclusive, modernised and integrated land administration. Our focus on electronic deeds registration system and the National Spatial Development Framework 2050, are our direct contributions to this modernisation. These are not just technical upgrades, they are tools to ensure that land administration is efficient, transparent and access accessible to all.

Hon members, let us be frank about the financial context and the constraint budgetary realities that we are facing as a country under the current geopolitical environment. The budget for the department has seen an overall decline from R10,46 billion in 2025/26 financial year to R10,36 billion in 2026/27 financial year in nominal terms. This is a reality that we must manage as government. While there are decreases in some areas, our commitment to land reform and restitution remain absolute. The Deputy President at one stage confirmed that government has allocated approximately R20,2 billion over Medium-Term Expenditure Framework period for the departmental core programmes.

We are also encouraged to note that the department leveraged public private financing models to supplement the budget and ensure that its work continues unhindered. However, the implementation of these programmes has its inherent challenges with island of successes achieved in reclaiming dignity through restitution. The department has placed the restitution programme at the heart of its mandate. As of December 2025, the department successfully settled 83 721 land claims, restoring approximately 3,9 million hectares of land and returning dignity of over 2,3 million beneficiaries. The total cost of the programme, including financial compensation, is well over R55 billion, a clear testament that the unwavering commitment of the department to righting the wrongs of the past is a profound success that must be commended.

The challenge, however, is the backlog of 5 245 outstanding older claims. The budget for Commission on Restitution and Land has seen a significant increase to R3,839 billion for the current financial year, allowing us to settle 307 claims and finalise 284. We do recognise the proactive steps taken by the department, including legislative work to address new order claims to ensure this process is accelerated. In terms of land rate distribution, acquiring and allocating land is only half the battle. The real challenge is ensuring that the land is productive. That is why the department is investing R330 million in the 2026/27 financial year for the acquisition of approximately 57 751 hectares of land.

We are steadfast in our support for communal property associations. Training 808 of their executive committee members in this financial year to ensure they have governance, financial and management skills to succeed in their management of finances. Hon Chairperson, the rural infrastructure development is an answer to rural development. High levels of unemployment through this potential for high labour absorption.

The Afrobarometer survey consistently shows that poverty and lack of economic opportunity are the top concerns for our citizens. If you are to solve this, we must turn our rural areas from the sites of poverty into hubs of production. The Rural Development Programme is our most potent weapon. By building infrastructure we are not just creating assets, we are creating jobs. Every road built, every irrigation scheme developed, every agripark established, creates immediate employment and lays foundation for future economic activities.

Hon Chairperson, when I am about to end, our nation is at a crossroads. The challenges of land inequality and rural poverty are profound, but so is our resolve. The Department of Land Reform and Rural Development, under this GNU is implementing a program that is bold, programmatic and focused on the people. We have made significant progress in restoring land to millions of South Africans and placing women at the forefront of the land reform agenda.

We have a clear plan to modernise our systems and build capable development stage. The successes are real. The challenges are being met head on and the opportunities for inclusive growth and employment are immense. We call on all hon members of this House to support Budget Vote 42. Let us work together across party lines to fulfil the vision of the Freedom Charter, to give effect to our Constitution and to build a South Africa where everyone, especially women and youth in the rural areas can thrive. I thank you.

Ms E C ROCKMAN (Free State): Hon Chairperson, hon Minister and hon members, we appreciate the opportunity to contribute to this Budget Vote debate today. At the outset also express our support for this Budget Vote. The land reform remains a moral imperative and an economic necessity. It is about correcting historical injustice while expanding participation in the agricultural economy. We welcome the hon Minister’s elaboration on the comprehensive land audit as well as key enabling legislation that will result in the establishment of the Land Reform Agency, the Equitable Access to Land Bill and the development of the Communal Land Tenure and Administration Bill.

The review and amendment of the existing Beneficiary Selection and Allocation Policy for beneficiaries of the Proactive Land Acquisition Strategy, PLAS, particularly with regard to the financial and educational requirements, will directly address the multitude of concerns that are raised during our engagement with farmers stuck on commonages who have been unable to acquire land due to those requirements. We will integrate raising awareness on these policy amendments in our farmers' engagements throughout the province as well.

Since the restitution process began, 2 675 land claims have been settled in the Free State. Efforts to transfer land ownership have accelerated. In February this year, hon. Minister Nyontsho issued 58 title deeds to beneficiaries, including to 48 farmers who had leased state farms for more than a decade and 10 farm dwellers who received security of tenure. We are happy to have noted that many of the beneficiaries included productive farmers that are currently on the farms that they received.

The Department of Land Reform and Rural Development, also facilitated an engagement with 29 Communal Property Associations, CPAs in the Free State, reflecting on governance structures, membership, regulatory compliance and the state of development and operations of land under the control of CPAs.

Our department will provide nonfinancial support to the initiatives of the Department of Land Reform and Rural Development as it begins to comprehensively address challenges in the CPA-environment. Resolving these challenges is a prerequisite for the provincial and national Departments of Agriculture consideration of financial support to CPAs.

The Free State Provincial Rural Development Indaba was facilitated as a precursor to the National Indaba that took place during May this year. The Indaba reflected on a broad range of issues, including enhancing agricultural productivity and food security, creating nonfarm employment, ensuring equitable land distribution, providing essential infrastructure and basic services, fostering sustainable community development as well as infrastructure and maintenance, bridges and access roads, dwelling and living conditions on farms and land tenure security.

Participants affirmed their resolve to condemn farm violence and invasion, tackle stock theft, especially along the Lesotho Free State border. Traditional leaders pledged to support their rural communities in benefiting from and participating in economic development.

The deliberations and outcomes of the National Rural Development Indaba emphasised that rural development encompasses economic, social, environmental, and cultural dimensions. The arising action plan includes as key pillars; the phased implementation of the Integrated Rural Development Sector Strategy, IRDSS.

Focusing on rolling out the strategy in priority district municipalities, backed by empirical data collection and evidence platforms spearheaded by the Human Sciences Research Council, HSRC, as well as the District Development Model, DDM. We must guard against co-ordination fragmentation. The split of the Department of Land Reform and Rural Development into separate Departments of Agriculture and Rural Development and Land Reform inherently risks silo'ing the very functions, land and post-settlement agricultural support that must be delivered together.

We appreciate the emphatic role that the Deputy President is playing with the Interministerial Committee to ensure that the centre holds.

On economic transformation and job creation, as another pillar. We talk about the Enterprise and Co-operative Development that promotes a shift from wage only employment model to supporting entrepreneurship, enterprise development, and co-operatives tailored specifically for rural contexts. Quality and access to basic services are key factors to realise this objective.

When it comes to agricultural support, we fully support the hon Deputy President statement to the Indaba that and I quote:

> We must be frank that subsistence farming alone cannot lift rural communities out of poverty. Our task is to build a productive, competitive, and transformed agricultural sector that creates jobs; supports agroprocessing and rural industrialisation; integrates emerging farmers into value-chains; and strengthens food security while growing the economy.

In order to achieve we must close the post-settlement gap — this is the highest return move. With fewer than 10 to 15% of redistributed farms commercially viable and the core failure occurring after transfer, the priority must be to bundling production finance, infrastructure, extension and off-take agreements at the point of transfer rather than treating land delivery as the end state. We therefore welcome the department's intention to support land handovers with direct infrastructure and production support.

We are yet to deliver the integrated, threshold-crossing package — finance plus tenure plus biosecurity plus extension plus logistics — that will free and realise growth in the trapped smallholder sector at the same time. That is a critical gap between agriculture's growth story and sector's inclusion story that must benefit rural development.

On infrastructure and investment, of course Rural Infrastructure Massification must be our priority. We need a commitment to unlock targeted infrastructure development such as connectivity, energy access and rural roads to lay the foundation to economic productivity.

A key factor to resuscitate rural economies remain the revitalisation remain the revitalisation of rural rail infrastructure - both for commodities and people.

On community action and skills alignment, we fully support a concept of grassroots ownership. This is the fundamental basis for any success to be achieved. We must ensure the community representatives and traditional leaders take an active, driving role in local economic planning.

As of 2024, it is reported that 19,7 million South African reside in rural areas, representing 30% of the entire population. Neither the Bill of Rights, nor the Constitution, differentiate between the rights, responsibilities and quality of life expectations or our urban and rural populations.

We undoubtedly have the strategies and policies; our diagnosis is accurate. We need the relentless, integrated and effectively co-ordinated implementation to achieve meaningful sustainable rural development to the benefit of all our rural communities. I thank you.

Mr B J FARMER: Hon Chairperson and hon Minister and hon members, I greet you in the name of Jesus Christ, our Lord and Saviour.

Hon Minister, the Communal Property Association, CPA, of the Richtersveld is sitting on over R300 million since 2008, and yet my people, who are the owners of that vast land, are still struggling. Hon Patrick Mabilo, who has left to scheme your way into a chairperson seat of the select committee meeting this morning to protect your ANC buddies in the Northern Cape, was at the cost of the people of the Richtersveld who have voted for your party through all the past elections. Yet today, you have shown that your buddies is more important than those who sent you here.

Land in South Africa is more than a piece of property. It represents dignity, opportunity and economic participation. Land represents the restoration of what was taken from many communities through decades of dispossession and exclusion. For millions of those South Africans, particularly those living in rural areas, land reform remains one of the unfinished tasks of our democracy. That is why the PA supports meaningful constitutional and practical land reform. However, we also believe that land reform must deliver results, not only promises.

The reality is that too many South Africans are still waiting on claims that remain unresolved, too many labour tenants claims remain trapped in administrative and legal processes and rural families continue to live without meaningful economic opportunities. Parliament itself has expressed concern that land reform targets remain too low and too slow.

The PA agrees that progress must accelerate. Our people have waited long enough.

However, land reform is about transferring opportunity. The mistake we have often made in South Africa is believing that land reform ends when the title deed is handed over. In reality, that is where the work begins. Land reform without support creates disappointment. Land reform without support creates prosperity and we support prosperity.

That is why the PA welcomes increased focus on post-settlement support. Beneficiaries must receive access to infrastructure, markets, technical assistance and production support. We must create successful farmers, successful co-operatives and successful rural enterprises. The future of rural South Africa depends on whether young people can see a future in rural communities. Today, many young people leave rural towns because they believe opportunity only exists in major cities. That perception must change.

Rural development must mean roads that work, water systems that function, reliable electricity, digital connectivity, access to markets, agricultural opportunities, skills development, entrepreneurship and jobs. The PA believes that rural development must become an economic project. Communities cannot survive on social assistance alone. They must be empowered to produce, trade, innovate and build sustainable livelihoods.

This means supporting emerging farmers, agricultural co-operatives, rural tourism, supporting agri-processing, fishing communities, small business and ensuring that local people benefit from development taking place in their areas. Coming from the Western Cape, we understand the importance of productive land and thriving rural communities. From the West Coast to the Garden Route, from farming communities to fishing communities, people want the same thing, a fair opportunity to work, to own and a fair opportunity to build a future. That is what land reform should ultimately achieve.

In closing, the PA support this Budget Vote, but we support it with the expectation that implementation will improve. Above all, we expect land reform to become a tool for economic empowerment and dignity because successful land reform is measured by lives transformed. Hon Minister, give the people their land back. Salute!

Ms Z G NGCOBO: Hon Chairperson, hon Minister and hon members of this House, the MK Party rises today to formally reject Budget Vote 42. We do so not lightly, but because this budget reflects a deep and troubling disconnect between what is promised on paper and what is delivered in reality to the people of KwaZulu-Natal and to the South African people.

At the centre of this debate lies a simple question, but a powerful one: Is the Ingonyama Trust Board truly serving the people? Whose land it administers, or has it become an institution preoccupied with administration, litigation, compliance and institutional survival rather than transformation?

That question is not rhetorical. It is the reality millions of rural citizens live by every day. The Ingonyama Trust administers approximately 2,8 million hectares of land, this land occupied by millions of people whose lives depend on secure tenure, stable governance and meaningful development. Yet, this land, instead of being a foundation for dignity and rural transformation, has increasingly become a site of administrative complexity, legal contestation and financial opacity.

This was never the intention. This land was meant to secure livelihoods, protect communities and advocate rural development. However, today, the budget tells another story. The total expenditure framework exceeds R116 million, rising to approximately R176 million when disbursements are included. Nevertheless, when we examine where this money goes, we see a structure that is heavily skewed away from development and towards administration. Salaries alone consume more than R30 million.

Legal fees consume over R9 million. Events and management consume R13,2 million. Communication, travel, accommodation and meetings consume millions more. When combined, more than R20 million is directed towards events, communication and stakeholders' management activities, not land reform. Not tenure security and not rural development. Chairperson, we must ask: How does an institution tasked with protecting land rights justify spending this level of resources on visibility, administration and litigation while communities remain uncertain about their land rights? This is not a minor imbalance. It is a structural distortion of purpose.

Even concerning, is the persistent legal expenditure of over R9 million. This is not incidental spending. It reflects ongoing disputes, contested policies and unresolved governance challenges. Instead of reducing litigation, strengthening clarity and stabilising land governance, the system appears locked in cycles of legal defence and institutional risk management. When legal fees become a permanent feature of a development institution, we must ask whether the institution is functioning as intended.

The gap between expenditure and impact becomes even clearer when we examine social programmes. The board proposes to support 150 students with a bursary allocation of only R576 000. That translates to approximately R3 840 per student per year. Let us be honest. That amount cannot pay for registration fees, accommodation, transport, textbooks or basic survival costs in today's economy. It is symbolic support, not a transformative investment. It is a presentation, not empowerment.

The same applies to the planned support for traditional councils. Targets exist but funding clarity, implementation details and measurable outcomes are absent. We are left with plans without substance and objectives without resourcing. Perhaps the most alarming feature of this budget is the R60 million in disbursement that falls outside main expenditure framework. These funds are not linked to clear programmes. They are not tied to measurable indicators. They are not integrated into performances report system.

This create a parallel financial structure operating outside normal accountability mechanisms. We must still ask: Who receives them? Who approves these funds? What are the outcomes? How is success measured? In a constitutional democracy, this level of ambiguity is unacceptable. Every rand must be accounted for, every expenditure must be traceable and every programme must be measurable. Across both budget and performance frameworks a pattern becomes undeniable.

This is an institution increasingly structured around administration, compliance risk management and institutional maintenance. Not around land reform, not around tenure security and not around rural development. The Auditor-General's own finding on board land reform portfolio re-enforces this concern. Highlighting missing indicators, weak measurability and performance framework that tracks report instead of real work outcomes.

We cannot build transformation on reporting systems that do not measure transformation. The people living on Ingonyama

Trust land do not need more meetings, they do not need more events and they do not need more legal expenditure. They need secured land tenure, functional land administration system, agricultural support and rural infrastructure, economic opportunity, access to market and an institution that protect their dignity.

Land is not a corporate asset, land is identity, land is survival and land is dignity. The MK Party, therefore, rejects this budget in its current form. We do so because it fails the people it is meant to serve. We call for a full restructuring of the budget to prioritise land administration and tenure security. The integration of all disbandment into transparent measurable programmes frameworks, a reduction in excessive legal administrative and event related expenditure, and a decisive shift towards development outcomes that can be seen and felt in rural communities.

Most importantly, we call for a return to the original purpose of the Ingonyama Trust to serve the people not bureaucracy. The land belongs to the people, the resources belong to the people and every institution entrusted with them must be accountable to the people. For those reasons, we reject Budget Vote 42. No land, no freedom.

IsiZulu:

Gwaza Mkhonto!

Setswana:

Rre M K MONTWEDI: Ke a leboga Modulasetilo waka o montle. Ke a go dumedisa le botlhe, Tona, le botlhe bao ba leng mo Ntlong le maAforikabowa.

English:

Hon Chair, hon members, South Africa stands at the defining moment. The promise of land reform, rural development and equitable access to opportunity promises made in 1994 and repeated in every administration since, remains painfully unfulfilled.

Today, as we debate Budget Vote 42, we must confront the truth that this department is not on track to deliver the constitutional, economic and moral imperatives entrusted to it. And this is not a political rhetoric; it is a fact drawn directly from the annual performance plan, APP, of this department and its own performance reports before this Council today.

The department's total budget declines from R10,5 billion in 2025-26 to R10,4 billion in 2026-27; a real term contraction. Yet, this is the same department expected to accelerate land reform, finalize restitution, modernize land administration, and drive rural development.

Hon members, at the end of December 2025, only about 11% of commercial farmland had been redistributed and this department is still battling bulk payment system failure that stalled the claim settlements, as well as slow progress in the settlement of land claims. This is not just a technical issue; it is a barrier to justice because land is justice.

As the EFF, we reject this Budget Vote. In doing so, we must confront a reality that communities have been raising for many years that thousands of rightful claimants never submitted their claims during the 1998 window. Many were excluded by distance, poverty, lack of information and administrative failures, and that the restitution process must be opened. Not as a symbolic gesture, but because justice demands that it be opened.

The department must also begin processing the second order claims. Claims arising from multiple dispossessions, forced removals, inadequate or fraudulent settlements and communities whose land was restored without the support required to make it viable. These are not optional. These are constitutional obligations that the department must ensure that they are met.

As the EFF, we are concerned at how Rural Development Program has lost momentum as poverty remains one of the deepest scars of apartheid, yet the Rural Development Program budget drops from R891,7 million to R723,4 million. We are further concerned at how this department failed to meet all the three rural development targets for quarter three in 2025-26 as only 169 jobs were created against the target of 450. This is largely due to delays in the implementation of rural infrastructure projects, contractor case flow, challenges and late delivery of compliance document. This is not a not rural development, but this is serious rural stagnation.

We cannot debate land reform and rural development without speaking about the daily suffering of farm dwellers who remain amongst the most vulnerable people in our community. Their rights are violated with impunity and the department that should protect them has abandoned them.

Now let me bring the lived the reality of our people into this House. Gontle Jantji is a young lady from a farm around ... [Inaudible.] ... who has been struggling for more than three months to bury his uncle. Three months later, hon members. Three months of humiliation; three months of begging for dignity; three months of being denied a basic human right; and the department did nothing. Legal Aid also, which is entrusted with the responsibility of defending our farm workers, take the easiest route out as it always does and refuses to intervene meaningfully. The department has failed to support this family and up until now, there are still challenges.

Now, we have got another family of the Nkatswang family that we visited this weekend during the mass voter registration campaign. This is a family that is situated in ... [Inaudible.] ... farm. Now the dignity of this family; they are the denied access, they are denied services, they are denied dignity. The story is not unique; it is simply one of the few that reaches our desk.

These cases represent thousands of farm dwellers across the country who are mistreated, intimidated, evicted, denied burial rights, denied emergency access, and denied the protection that the law promises them. And this is not an accident. This is not an isolated incident. This is a systematic failure. And so we reject the budget of a department that is failing our people.

Legal Aid SA, as I have mentioned, has become part of the problem. They take the easiest procedural route. They avoid confrontation with landowners. They refuse to intervene on the ground. They default to court processes that take months and years, meanwhile, farm dwellers are suffering. We are calling for a legal support function for farm dwellers and to be returned to the Department of Rural Development and Land Reform. It must no longer be outsourced to Legal Aid, which has repeatedly failed to protect the most vulnerable.

The department must build an internal specialized rapid response farm dweller operation protection unit. One that can intervene immediately when rights are violated, when burials are blocked, when ambulances are denied access, when families are threatened, because right now, the department is failing. As I said, Legal Aid is failing and our people are suffering.

So as we reject this budget of the department which has for more than two decades collapsed farms acquired by the state into non-production because the department never provided the land development support required to keep these farms operational. Land that should have been feeding the nation is laying idly. This is not a failure of beneficiaries; it is the failure of the state. The department continues to allocate land without allocating capital. It allocates responsibility without resources. Hope without support.

I think it is time to rethink the beneficiary selection and land allocation policies. Beneficiaries must be linked directly to the Land Bank from day one when they are allocated land. Land allocation must be paired with capital allocation. The Land Bank must provide structured capital packages for all new beneficiaries. If we are serious about land reform, we must be serious about productivity. If we are serious about productivity, we must be very serious about giving our people finances.

The department must open land claims and process the second order claims. And as we said, it must set a restitution recovery plan with fixed deadlines. There must be a finality on co-operatives and enterprise development and immediate release of the R500 million budget that was never used, that was meant for enterprise development. We must establish a revised beneficiary selection policy linked directly to the

Land Bank; create a dedicated farm dweller protection unit inside the department.

South Africa cannot afford another decade of slow land reform, slow restitution and rural stagnation. The people of Taung, Sekhukhune, O R Tambo, uMkhanyakude, and every rural district are not asking for miracles, they are asking for dignity, land infrastructure and opportunity. This Budget Vote does not yet rise to that challenge. We must demand better, we must demand urgency, we must demand accountability because land reform is not a policy choice; it is a constitutional obligation. Rural development is not a program; it is a lifeline, and justice delayed is justice denied. Thank you, Chairperson.

Setswana:

Ke lebogetse tšhono e ore fileng yone ...

English:

... as the EFF to make this contribution. Thank you very much.

Ms N C KEKANA (Limpopo): Hon Chairperson of the National Council of Provinces, Minister of Land Reform and Rural Development, the hon Nyhontso, the Deputy Minister, the hon

Chupu Stanley Mathabatha, all the hon members of executive council, MECs from other provinces, hon Members of the Provincial Legislature, MPL, members, distinguished guests, ladies and gentlemen.

Hon Chairperson, I stand before this House to present the policy priorities and progressive strides of Vote 42. Limpopo remains unwaveringly committed to transforming our rural economy, advancing social justice and accelerating agrarian transformation through robust land reform and aggressive agricultural innovation.

Chairperson, through our strategic land acquisition and property management directorates, we are systematically converting Limpopo's agricultural land into a high-yielding life economic asset that drives sustainable agrarian transformation. Operating under the proactive land acquisition strategy, our primary focus is the acquisition of strategically located agricultural land to expand equitable access and foster a new echelon of black commercial farmers.

A definitive benchmark of this intervention success is Mr Rudzani Sadiki from Northam within our Thabazimbi Local Municipality. Having received comprehensive land allocation and targeted capital funding through our Minister of Land Development and Post-Settlement Support Framework, Mr Sadiki emerged as South Africa's national best farmer last season for his exceptional commercial sunflower production earning prestigious national recognition from the Minister of Agriculture.

To safeguard the state's agricultural investments and guarantee uninterrupted productivity, this administration enforces an institutionalised lease management system managed directly by our property management directorate. Under this strict regulatory framework, qualifying commercial beneficiaries are allocated state-owned land through meticulously monitored 30-year lease agreements.

Far from being a mere administrative exercise, these long-term leases serve as a structured covenant for accountability, ensuring strict compliance with sustainable land use regulations, environmental standards and commercial production targets. Recognising that land redistribution without adequate capitalisation invites operational failure, our lease management system operates concurrently with our land development and post-settlement support framework.

Through this integrated approach, the department ensures that agricultural champions like Mr Sadiki are never left to navigate the volatile commercial market in isolation. We provide a continuous multi-tiered support ecosystem that includes advanced technical mentorship, financial oversight, market linkage facilitation and significant state-driven infrastructure development.

This includes the critical provision of on-farm assets such as mechanised irrigation systems, security fencing, modern storage facilities and production inputs. By blending secure long-term tenure through robust post-settlement capital investments, we're building a resilient pool of black agrarian industrialists who sustain provincial food security and drive rural employment across Limpopo.

To give effect to section 25(6) of the Constitution, our tenure reform implementation directorate is actively safeguarding the livelihoods of farm dwellers and labour tenants across our major agricultural corridors. We are aggressively enforcing the extension of Security of Tenure Act to halt unlawful farm evictions. By collaborating directly with Legal Aid South Africa, we provide state-funded legal representation to vulnerable occupiers.

Furthermore, the Tenure Reform Implementation, TRI, directorate is actively driving governance intervention across the 202 registered communal property associations in Limpopo. We are resolving deep-rooted internal wrangling, traditional authority boundary overlaps and executive financial misconduct, ensuring these institutions submit their mandatory annual financial statements to protect the land rights of their members.

Through our land holding and disposal directorate, we are spearheading targeted rural industrialisation by systematically altering spatial economic patterns in our communal areas. This directorate acts as our strategic gateway to unlock communal land vested in the state and traditional authorities for high-impact commercial development.

In Limpopo, we do not impose development. We facilitate democratic community meetings to secure formal, legally binding community resolutions. This strict adherence to the Interim Protection of Informal Land Rights Act ensures that traditional councils and localised communities give informed, absolute consent before any project commences. Once the Minister approves this resolution, we enter into sustainable lease agreements with private developers.

Hon Chairperson, it is clear that when we resource our rural areas, the department provides functions in securing tenures and support our farmers. Limpopo province doesn't transform land but transforms lives. The expedition in finalising the Communal Land Tenure and Administration Bill is a proposed piece of legislation being developed by the South African government to address land tenure rights in communal areas, particularly in the former homeland areas where millions of rural residents live.

The Bill is intended to give effect to section 25(6) of the Constitution, which requires legally secure tenure for people whose land rights are insecure because of past discriminatory laws. This regulatory mechanism has successfully unlocked massive investment across our rural landscapes, clearing the path for the construction of modern retail shopping complexes as part of rural development and the rural economy, of course, essential filling stations and agro-processing hubs in line with the rural development integrated strategy.

These developments do not just bring urban conveniences closer to our rural citizens. They create thousands of direct localised jobs, generate sustainable rental revenue for communal tax and expand the rural tax base, also benefiting the designated groups, youth, persons with disabilities and women. Social justice is being delivered aggressively by our restitution directorate. Restoring land is a core priority for Limpopo, which is why our province's most developmental allocation is dedicated entirely to restitution.

We are correcting the injustices of the past forced removals by investing heavily in the commercial sustainability of returned land. A prime example in Limpopo is the landmark Zebediela Citrus Estate belonging to the Bjatladi community.

To wake this sleeping giant, Limpopo has finalised a compressive agricultural master plan. This is actively modernising bulk irrigation infrastructure, upgrading processing facilities and replacing ageing orchards to unlock domestic and international export markets. We were also able to attract the investors.

Furthermore, through the Inter-Ministerial Committee on Land Reform, we have celebrated milestones like the official land restoration and title deed handovers to the Sebilong Communal Property Association in Thabazimbi’s Waterberg district alongside milestones to the Rakwadi community at Goedgelegen Farm.

Simultaneously, our youth are being uplifted through the National Rural Youth Service Corps programmes. To aggressively confront youth unemployment, poverty and inequality, the department has recruited and trained 231 unemployed youth across Limpopo.

These young leaders were intentionally selected from all five of our provincial districts. We have got projects like the Technical and Vocational Education and Training, TVET, colleges where we have equipped them with vital skills, spanning plant and poultry production, mixed farming and agricultural equipment refects.

To bring finality to land ownership and systematically dismantle the structural patterns of spatial apartheid, Limpopo is fully aligned with the national directive to conduct a rigorous, legally sound comprehensive land audit. These critical planning and investigative instrument are designed to resolve long-standing title ambiguities, boundaries, disputes and the persistent lack of clarity regarding state-owned private commercial and communal land assets across our province.

For Limpopo, this audit holds immense strategic value. It will precisely measure the movement of land ownership away from the historical 13% statutory limitation imposed on African communities during apartheid.

Concurrently, we are radically opening access to agricultural entry through our overhauled and highly inclusive beneficiary selection and land allocation policy. We have deliberately removed the rigid financial and educational entry barriers that historically disqualified emerging farmers. Instead, our updated policy prioritises individuals, particularly women, youth and military veterans. [Time expired.]

Thank you very much.

Mr H J VAN DEN BERG: Hon Chairperson, hon members, citizens of the country, this department carries a heavy responsibility under section 25 of the Constitution to redress past dispositions while still protecting property rights and promoting equitable access to land. However, we see persistent failures in fulfilling this mandate. After decades and billions spent, restitution still faces a backlog of over 5000 old order claims due to disputes, and once all is said and done, many recipients do not even want to farm, but they prefer financial compensation.

After 30 years, we have to do introspection as to the efficacy of this venture. The department blames budget cuts, high vacancy rates, weak post settlement support and chronic institutional incapacity. But let's face up to the facts, government's main property model for restitution and based in socialism is Communal Property Associations, and they are failing.

Communal Property Associations, CPAs, are plagued by infighting, maladministration, distrust and internal conflict, mostly about the resource allocation. The FF Plus has long warned against race-based state driven redistribution without adequate skills transfer, market access and secure individual title deeds. This breeds failure, not prosperity. The evidence confirms it. Too many state farming projects lie unproductive meanwhile commercial agriculture - mostly family-based entities which feeds the nation and earns vital foreign exchange - faces uncertainty due to threats of expropriation.

Our policy is clear. Genuine reform must respect private property rights and economic realities like motivation.

Motivation to succeed comes from an individual's perceived gain from farming and mining activities through personal efforts. It's difficult to motivate yourself in a CPA where you will not reap the benefit of your labour. We advocate the rapid transfer of secure individual title deeds to beneficiaries in order to gain access to credit, invest and build generational wealth for their own families. All this rather than trapping people in dysfunctional communal models.

Expropriation without compensation undermines investor confidence, threatens food security, and violates constitutional safeguards. Sustainable reform requires partnership, not predation. It demands skills development, mentorship programs linking emerging and established farmers, and a focus on rural economic growth that creates real jobs, not political patronage. But to achieve this, you have to let go of the ideological anger and work with the farming community around you.

The FF Plus calls for protection of productive farmers while accelerating access through transparent merit-based programs open to all races, recognition of both self-determination and community-based solutions, including Afrikaner and other cultural minorities who have deep roots in the land.

Hon members, the average rural citizen deserves better than endless claims, disputes and broken promises. They deserve land that works, land that produces food, income, safety and dignity. Socialist rhetoric has delivered neither redress nor development. This legislation was already learned in the 1980s. That's 50 years ago. Fifty-years ago, the world already knew that it's time for pragmatic evidence-based policies that grow agricultural and mining resource sectors. South Africa cannot afford another decade of the same. Let us choose prosperity over ideology. We support a department that is willing to make it work. Thank you.

The DEPUTY MINISTER OF LAND REFORM AND RURAL DEVELOPMENT: Chairperson of the National Council of Provinces, Deputy Chairperson, hon permanent and special delegates, hon premiers and MECs present, hon members, Minister Mzwanele Nyhontso, government officials, fellow South Africans, I greet you all.

The Minister has set out the broader policy, legislative and budget direction of the department. I will focus my input on rural development. I will cover the practical work that must be carried out in provinces.

Rural development remains one of the most important priority areas and mandates of our department. It relates directly to the daily conditions of people living in villages, small towns, communal areas and farming communities, including areas that many from their vantage point regard as ... [Inaudible.]

Many rural communities continue to experience high levels of unemployment and poverty. In terms of infrastructure, they lag ... the relatively developed metropolitan areas. These rural areas require greater attention, rural access to services, local economic development and opportunities for both young and older people.

These conditions require far more than a single project. A comprehensive, integrated, co-ordinated, multisectoral approach to rural development across all spheres of the government is therefore crucial.

We also need stronger partnerships with traditional leaders, public entities, economic stakeholders, including both employers and labour, as well as civil society organisations, training institutions, and perhaps most critically, local communities themselves.

This is why our department's work in rural development is a key part of the Integrated Rural Development Sector Strategy and the Comprehensive Rural Development Programme. The District Development Model is equally important and crucial in our rural development approach.

For the 2026-27 financial year, the department will co-ordinate 60% of the integrated rural sector strategy pillars across national and provincial sector departments. The co-ordination will help align public investment, reduce duplication and improve reporting. Going beyond an administrative exercise, the co-ordination must ensure that rural communities receive better support from the state.

In the 2027 financial year, the department will train 1 227 young people through the National Rural Youth Service Corps, Narysec, programme. The number includes 164 young people in the Eastern Cape, 80 in the Free State, 100 in Gauteng, 60 in KwaZulu-Natal, 152 in Limpopo, 138 in Mpumalanga, 130 in the North West, 228 in the Northern Cape and 175 in the Western Cape.

These young people will be supported to gain skills that can improve their access to employment and enterprise development, including co-operatives, and small and micro enterprises. This will facilitate their participation in the economy. The training we provide through Narysec offers opportunities.

The department will also create 300 work opportunities through rural development initiatives. These planned work opportunities include 40 in the Eastern Cape, 30 in the Free State, 25 in Gauteng, 55 in KwaZulu-Natal, 25 in Limpopo, 41 in Mpumalanga, 25 in the North West, 35 in the Northern Cape and 24 in the Western Cape.

Given the unemployment challenges that affect many countries in the Global South, each decent work opportunity created is critical in supporting households and improving livelihoods. It is within this context, and against the backdrop of resource constraints, that these figures should be appreciated.

We acknowledge that the numbers are modest when measured against the scale of rural unemployment. We are using them in the context just set out, as a platform for stronger partnership. We will continue working with provinces, municipalities, traditional authorities, stakeholders in the economy, including commodity organisations, employers, co-operatives and development finance institutions to expand the impact of these interventions.

Rural infrastructure remains a key part of improving the quality of life in rural communities. For the 2026-27 financial year, the department will complete 33 rural infrastructure projects. These projects will support access to basic services, local economic activities and the broader development of rural communities.

The department will also provide information and communication technology infrastructure to five rural schools under the research and technology programme. This is a small but important contribution to rural learning. Connectivity, equipment and digital access are now part of basic participation in modern education.

The department will further support five rural district municipalities with investment in rural industrial development. This work must assist rural districts to identify opportunities for enterprise development, co-operatives, value chains and local production. It must also assist government to focus investments where it can unlock economic activity.

The department has identified several challenges that affect implementation. These include capacity constraints, weak co-ordination across spheres, funding pressures, delays in procurement and infrastructure delivery risks.

We are determined to address these challenges. They cannot become permanent reasons or features for slow delivery. The department will therefore continue to strengthen intergovernmental co-ordination through joint planning, structured reporting and clearer rules across spheres of government. We will also continue to improve project monitoring so that delays, cost increases and poor workmanship are identified early.

The NCOP has an important role to play in this regard. It can help ensure that rural development projects are monitored in provinces, that municipalities are brought into planning processes and that communities see the results of government's commitment.

Rural development is about more than just infrastructure. It is about restoring confidence in rural places. It is about young people seeing a future where they live. It is about communities having access to services, skills and productive opportunities. It is about building local economies that can support households and reduce the pressure of migration caused by poverty and lack of opportunity.

At this juncture, I wish to thank Minister Mzwanele Nyhontso for his leadership, the acting director-general, senior management and officials of the department.

However, before I close I must respond to this issue of, both verbalism and the misuse of concepts for the purposes of satisfying certain political interests.

I haven't seen anywhere where the Communal Property Association, CPA, can be associated with socialism. In the CPA model, we are actually transferring the land, the means of production ... land to the people, not to the state. If it was a socialist project, we would be nationalising this land ... transferring it to the state.

Now, the speaker who has just spoken ... the hon member who has just spoken before me, reminds me of the old days of apartheid ... of National Party rule, where everything that was pro-black was said to be socialistic or ... socialism, where socialism was used as a scare word rather than a system where society is transformed from the old order into a different, new and better order. So, what we are doing here ... we are just socialising the means of production. We are not nationalising the means of production. And, that cannot be said to be socialism.

So, I think before we use some of these concepts, we need to clearly understand what they refer to. That cannot be socialism, unless you just want to use socialism as a scare word. And, I don’t think that is appropriate, because that basically would be tantamount to misleading this House.

Again, hon members must understand that the role of this department is not enforcement of the law; it is the administration of the law. There are departments that have a mandate to enforce the law. So, we can’t be expected to form an enforcement body. We are not the SAPS. We can’t be expected to form an enforcement body in rural areas and farms. That is a mandate or a scope of another department.

It can’t be right that when we come to debate in this House, almost 70% of your speech only concentrates on the Ingonyama Trust. That to me is tantamount to regionalism, and I think regionalism is one reactionary tendency that was identified by social scientists long ago. So, we must avoid regionalism.

Let me thank you, hon Chairperson and thank the hon members. I will leave the remaining two minutes to the Minister.

The DEPUTY CHAIRPERSON OF THE NCOP (Mr P Govender): Thank you very much, hon Deputy Minister, but we are not allowed to donate minutes to anybody. However, thank you for that offer. Hon delegates, we now move to the next contributor to the debate, and that's the hon Moeketsi, the MEC from Mpumalanga, who will now contribute for 10 minutes.

Ms B K MOEKETSI (Mpumalanga): Hon Deputy Chairperson, hon Minister, hon members, distinguished guests, ladies and gentlemen, receive my profound greetings. Few moments in South Africa's history capture the shock of land dispossession ...

The DEPUTY CHAIRPERSON OF THE NCOP (Mr P Govender): Sorry, hon member, can you please hold on? We have a point of order. And what rule are you standing?

Ms J S MANANISO: Deputy Chair, I'm noting that there's a man on the side of the speaker, and we don't need to be having some other people accompanying us as we speak.

The DEPUTY CHAIRPERSON OF THE NCOP (Mr P Govender): All right. Thank you for bringing it to our attention. Hon Moeketsi, there is somebody in your picture. Can you please reframe it so that we don't see the person that is next to you?

Ms B K MOEKETSI (Mpumalanga): Okay, my apologies.

The DEPUTY CHAIRPERSON OF THE NCOP (Mr P Govender): You may continue.

Ms B K MOEKETSI (Mpumalanga): ... few moments in South Africa's history capture the shock of land dispossession more starkly than the line "Awakening on Friday morning, 20 June 1913, the South African native found himself, not actually a slave, but a pariah in the land of his birth," as recorded in Native Life in South Africa by founding Secretary-General of the ANC, Sol Plaatje, reflecting the devastating immediate consequences of the Natives Land Act of 1913; it is within this long shadow of dispossession and exclusion that the Budget Vote for the Department of Land Reform and Rural

Development speaks to one of the oldest unresolved questions in South Africa’s democracy: who owns the land, who uses it, and who benefits from it.

At the centre of this debate is a simple but powerful constitutional promise. Section 25 of the Constitution requires the state to take reasonable legislative and other measures to enable citizens to gain access to land on an equitable basis. That promise remains both a legal obligation and a lived expectation.

More than 30 years into democracy, land reform still carries the weight of historical dispossession. As the Freedom Charter declared, “The land shall be shared among those who work it.” Yet the practical reality remains that land ownership patterns continue to reflect deep historical imbalances.

The department’s work reflects an ongoing attempt to translate that constitutional and historical mandate into policy and implementation. It operates through land redistribution, restitution, tenure reform, and rural development. Each of these pillars is intended to address different dimensions of the same problem: exclusion from land and insecurity of tenure.

Restitution, in particular, continues to represent an attempt to "repair what was broken by law." Communities displaced by racially discriminatory legislation continue to pursue claims that stretch across decades. While many claims have been resolved, many others remain, showing that historical injustice is not easily resolved through administrative processes alone.

At the same time, redistribution efforts are aimed at changing access to land in the present, not only correcting the past. However, a persistent tension remains between land transfer and land use. In other words, acquiring land is not the same as transforming livelihoods. Without support, infrastructure, and institutional stability, land access does not automatically translate into economic transformation.

This is why rural development is not a secondary programme, but a central requirement of land reform. The state is effectively attempting to build what can be described as a "post-transfer ecosystem" of support, where land, once redistributed, can become productive and sustainable.

However, implementation takes place within complex institutional terrain. In communal areas, land governance often involves overlapping systems of authority: state institutions, elected structures, and traditional leadership. This creates both opportunities for local legitimacy and challenges in accountability and consistency. As one policy tension puts it, land reform is not only about "who gets land," but also about "who governs land after it is allocated."

The department is also pursuing significant legal and policy reforms aimed at restructuring land governance. These include new frameworks intended to clarify ownership, improve tenure security, and modernise land administration systems. These reforms reflect an attempt to move from fragmented legal arrangements toward a more coherent system of land governance.

Yet reform at this scale is never neutral in its effects. It redistributes not only land, but also authority, decision-making power, and institutional control. That is why land reform remains both a technical and political process at the same time.

Modernisation efforts such as digital land registration systems, improved geospatial tools, and advanced spatial planning frameworks reflect an attempt to strengthen efficiency and transparency. But technology, while necessary, does not resolve the deeper question of equity. It can improve systems, but it cannot alone resolve contested histories.

As the Minister stated in principle, the department's mandate is rooted in "equitable access to land, restitution of land rights, ensuring tenure security, supporting sustainable rural livelihoods, and promoting rural prosperity." These are broad and interdependent goals, and none can be achieved in isolation from the others.

As I conclude, this budget vote reflects a continuing national effort to bridge the gap between constitutional aspiration and material reality. The process is ongoing, contested, and uneven. It involves progress, but also persistence of old patterns.

The fundamental question remains open: how to ensure that land reform is not only a redistribution of space, but a transformation of power, opportunity, and dignity in rural South Africa?

As the Freedom Charter reminds us, "South Africa belongs to all who live in it, black and white." The challenge of this budget vote is how that principle is realised in land, in law, and in everyday life.

I thank you.

Mr P J SWART: Hon Chairperson, hon Minister and Deputy Minister, hon members, fellow South Africans, good afternoon. Today we debate Land Reform and Rural Development. Too promises that carried the hopes of millions of South Africans for more than 30 years, but the painful truth is this. While government has perfected the language of transformation, it has failed in the implementation of transformation over the past 30 years.

The annual performance plan, APP, of this Department of Land Reform and Rural Development is filled with impressive strategies, policies, frameworks, interventions and targets. On paper it sounds revolutionary, but sorry, our people do not live on paper. They live in rural towns, on broken farms, in collapsing municipalities and in the communities where poverty has become generational. So, we must stop with this pie in the sky promises to poor people.

The department itself admits in the APP that many land reform farms became unproductive because of poor support, weak monitoring systems, lack of accountability and misuse of funds. This is the real crisis created by your party, Minister. Government buy farms for empowerment, transfer them to emerging farmers, take photographs for media statements and then disappear. No proper mentorship, no access to finance, no market access, no infrastructure support, no accountability and then the President and government are surprised when those farms collapse.

The APP confirms that of land supported through the recapitalisation and development programme, most farms have not yielded the required success due to the lack of adequate and appropriate post-acquisition support, despite billions of rands being invested. Billions spent, very little success. The department itself further admits that the programme suffered from poor selection and support providers, misuse of funds, weak monitoring and inefficient systems.

South Africans must ask: How many opportunities were destroyed over the past 30 years through corruption, cadre deployment and political interference? Because land reform without support is not empowerment, it becomes abandonment. While government speaks out, inclusive rural economies, the reality in rural towns is economic collapse. Municipalities in rural South Africa are failing under ANC control. Roads are broken, water systems collapse, sewage runs through communities, investors stay away, young people leave because there are no opportunities. The APP itself admits nearly 60% of rural population lives below the poverty line. After three decades of democracy, that should shame this department.

Rural development cannot succeed while local government is collapsing under corruption and incompetence. You cannot speak about rural economic growth while farmers still sit without water security. You cannot speak about development while emerging farmers wait months for support. You cannot speak about dignity while communities still lack proper sanitation and roads. The department also acknowledges fragmentation, duplication, waste and poor coordination between spheres of government. Again, beautiful plans, weak implementation.

South Africa suffers from a shortage of political will. Because if political will truly existed, state-owned farms would not stand idle while communities go hungry. Productive agricultural land would not deteriorate year after year.

Emerging farmers would not be set up for fail. Rural youth would not feel forgotten. The department says it wants to reverse urban migration and build thriving rural economies. But how will that happen when many rural towns are becoming less liveable every year?

Real land reform must create productive farmers, sustain and protect the current commercial farmers on the land, sustainable businesses and food security. It must protect property rights while expanding opportunity. It must empower people with title deeds, ownership, skills, finance, infrastructure and access to markets. And it must focus on outcomes, not headlines. The DA believes that emerging farmers can succeed. We have seen success where support, accountability and partnership exist.

However, empowerment can never mean handing over and walk away. That is not justice, that is negligence. Even the department admits that outstanding land claims may cost approximately R7 billion to resolve. The people of South Africa are tired of ANC excuses, EFF slogans and the MK Party ... [Inaudible.] ... They are tired of conferences. They are tired of endless plans with little impact on the land. They want functioning rural towns. They want productive farms. They want jobs. They want dignity. They want a government that delivers.

While land reform remains a national competency, there are valuable lessons to be learnt from the Western Cape. The province has consistently demonstrated that land reform succeeds when beneficiaries receive meaningful post-settlement support, mentorship, market access and proper accountability.

Through organisations such as the Cape Agency for Sustainable Integrated Development in Rural Areas, Casidra, emerging farmers have received practical assistance that help turn land into productive enterprises instead of abandoned assets. Thank you.

The DEPUTY CHAIREPRSON OF THE NCOP (Mr P Govender): Hon members, we were informed that Salga will not be participating in this debate. Therefore, we move on to the next participant, that is the hon Bosman.

Mr G BOSMAN (Western Cape): Good afternoon, hon Chairperson, hon Minister, and hon members. We are in this Chamber today to debate Budget Vote 42 for Land Reform and Rural Development, a portfolio that is the ultimate monument to the widening gap between the promises made by the national government and the better reality delivered to our people on the ground.

It is worth noting that this portfolio now rests in the hands of the Pan-Africanist Congress. For decades, the PAC built its entire political identity on a single, uncompromised business.

The DEPUTY CHAIRPERSON OF THE NCOP: Hon Bosman, can you please take your seat. Hon Minister? Sorry, are you... No, no, no, that is not a point of order. Sorry. Hon member, can you continue?

Mr G BOSMAN (Western Cape): Hon House Chairperson, as I said, uncompromising promise that the land would be returned to the people. It made the language of radical land justice its defining cause, the rallying cry that carried it from the margins of protest politics into a seat in the national executive today. But today, for the first time, that party does not merely demand land reform from the opposition benches. It now has direct responsibility for delivering it.

But what happens when the rhetoric meets reality? What happens when a party that claims to champion the landless takes over the executive administration? We see the answer right here in

Budget Vote 42. They do not deliver justice. They do not deliver transformation. Instead, the moment they take the wheel, they immediately capitulate to bureaucratic bloat, institutional inertia, and the exact same legacy of failure that has plagued this department for 30 years.

This budget surrenders real land reform to protect the comfort of state officials, and it is a betrayal of the very people this Ministry claims to represent. Let us be completely clear, hon House Chairperson. Land reform in South Africa has never been stalled because of our Constitution. It has been paralysed by a state apparatus, hollowed out by corruption, weaponised by cadres, and crippled by basic operational incompetence.

The Special Investigating Unit recently exposed a staggering R650 million in irregular matters within this department's historical portfolio. Think about that figure. While millions of landless South Africans are told to wait, while emerging farmers beg for basic assistance, R650 million was allowed to bleed out through the cracks of maladministration and greed. This is a profound moral failure that dumps a massive unfunded mandate and severe social risks directly into provinces and into the people of the Western Cape.

Nowhere is this national failure of agency more visible, more heartbreaking, or more deeply insulting than in the heart of Cape Town in the community of District 6? For three decades, the national government has used District 6 as a political football. For three decades, elderly claimants, men and women who were forcibly dragged from their homes under the Brutal Group Areas Act have been handed nothing by this department but forms, delays and excuses. Finalising these urban restitution claims does not require radical new legislation like the proposed Equitable Access to Land Bill. It requires basic, competent project management. It requires an administration that knows how to build houses, process title deeds, and stick to a timeline. Instead, the national department has treated District 6 with a level of apathy that borders on cruelty. Year after year, the timeline slips. Year after year, the paperwork piles up. And tragically, year after year, our elderly claimants are passing away in their old age, dying before they ever get to see the land that was stolen from them being restored.

How can this Ministry look those families in the eye? The script is always the same. From District 6 in the Western Cape to the failed implementation of the KuGompo City Settlement Agreement in East London, the state completely fails at delivery. If we lift our eyes from the urban centres to our rural landscapes, the picture becomes just as alarming. Programme 3, the very core of this department's mandate, is facing a 0,4 average annual decline over the medium-term. In real terms, money is moving away from land reform while the administrative red tape increases. And where is that money going? Well, let us look at programme 1. This budget allocates a staggering R693,9 million purely to office accommodation for the 26-27 financial year. Nearly R700 million so that bureaucrats can sit in luxury offices in Pretoria, while the targets for completed rural infrastructure projects are slashed from 174 down to just 33.

The department is cutting dams, cutting access roads, cutting fencing, and cutting irrigation. They are destroying the tools that turn a piece of soil into a productive asset, all to ensure their own office buildings are well-funded. This administrative failure is causing a crisis of security in the Western Cape. Right now, there are 8 000 unresolved labour tenant cases hanging over this country. In places like Nantes from farms in Paarl, the department's inability to finalise claims and secure legal tenure is putting both farm dwellers and agricultural stability at massive risk. When the state leaves people in legal limbo like this for more than a decade, it invites social instability. It creates conditions for conflict and economic decay.

In the Western Cape, land prices are among the highest in the country. When the national department shrinks its land acquisition budget to less than 0,5% of the national fiscal framework, while leaving the Office of the Valuer-General completely unstable and without a permanent head, it effectively kills sustainable redistribution in high-value agricultural zones.

The Western Cape does not want to inherit the national department's chaos. We want to see real, productive, just land reform that builds wealth instead of managing poverty. And we have the blueprint to show how it is done. First, we must embrace modernisation. This budget highlights the rollout of the electronic deeds registration system. As a province with incredibly high property transaction volumes, the Western Cape represents the perfect breeding and testing ground for this system. We demand that this digital rollout be flawless, fully transparent, and completely insulated from the bureaucratic corruption that has rotted the department's manual system. Modernise the administration and you fast track the security of property rights for everyone.

Second, we need to fix the massive failure of post-settlement support. Giving a beneficiary a piece of land without water, without equipment, and without market access is not liberation. This budget allocates R1,6 billion for rural infrastructure, including 15 agri-parks. The Western Cape demands its equitable share of these projects. But more importantly, we demand that these agri-parks are integrated directly into the Western Cape's existing, high-performing provincial agricultural value chain. Let us provide the technical support, market linkages, and real-world training that the state has proven completely incapable of delivering.

The new Ministry stands at a definitive crossroads. The PAC leadership of this department can choose to spend the rest of this term defending the failed status quo, protecting the R693,9 million for office budgets, looking the other way on the R650 million in irregular expenditure, and watching infrastructure targets drop to zero, while the mothers and fathers and grandparents are waiting in District 6 and they die waiting. If they do that, they prove that the historical land rhetoric was nothing more than an empty political gimmick. The DA will not give a blank check to a budget that prioritises luxury offices over land ownership and paperwork over real human progress. We will hold this department to account every single day, not for the slogans they shout, but for the outcomes they fail to deliver. I thank you.

Mr M BILLY: Deputy Chair, hon Minister, fellow South Africans, hon members, as we conclude this debate, it is important to separate rhetoric from reality. Much has been said today about transformation, redress, and equitable access to land. These are important objectives, colleagues. The DA supports redistribution and equitable access to land, restitution, and security of tenure. We support expanding access to land and empowering rural communities and emerging farmers.

What we do not support is the continued failure of government disguised as transformation. My colleague, hon Pienaar, correctly pointed out that government has already identified approximately 700 000 hectares of vacant, unused, and underutilised state land suitable for redistribution. Yet government continues to spend more time discussing acquisition of additional land than explaining what has happened to the land it already owns.

That is the central question of this debate, hon members. Why is government failing to utilise the land already under its control? The department’s own document revealed an even more concerning reality. We are told that land reform is a priority, yet the department admits that more than 1 100 farms and projects under state ownerships have not received the support they require. Many require billions of rand in development assistance before they can become productive.

The department further acknowledges that approximately 20 510 applications were lodged with nearly 9 000 still outstanding. The department tells us that a staggering R56 billion is required merely to address the backlog in land claims. These are not the DA figures; these are the department’s own admission. The ANC, the MKP, the EFF, and now the PAC of Azania, may stand up today and accuse the DA of opposing land reform. Nothing could be further from the truth.

We oppose failed land reform; we oppose land reform that transfers land out of abandoned beneficiaries; we oppose land reforms that create dependency instead of ownership, and we oppose land reform that measures hectares transferred, but never measures whether families became successful farmers; whether jobs were created; whether communities prospered, or whether beneficiaries built wealth. Parliament’s own analysis found that approximately 72% of the department’s budget is linked to indicators that largely measure activities than outcomes.

The department measures how many people were trained; it does not adequately measure how many found employment. The department measures how many hectares were allocated; it does not adequately measure whether that land remains productive. The department measures how many projects were launched; it does not adequately measure whether those projects change real lives. That is the difference between spending money and achieving results.

The ANC and its offsprings will undoubtedly tell us that expropriation is the answer. No. But the evidence before us says otherwise. As I've always said in this House, like many other problems we have, South Africa's biggest land reform challenge today is not the absence of legislation, hon Mananiso, listen. It is the implementation of failure, capacity constraints, unresolved claims, underutilised state land, and inadequate post-settlement support.These are the obstacles standing between South Africans and successful land reform.

The DA believes that true empowerment comes from ownership. Ownership creates dignity, security, investment and generational wealth. A government lease can be withdrawn, and a title deed can be passed to your children, that is why we continue to advocate for title deeds and secure property rights for all South Africans, especially the poor. The real injustice in South Africa is not that too many people own property; the real injustice is that millions do not.

Our task should be, therefore, to expand ownership, not weaken it; to create more successful farmers, not more failed projects; and to create more investment, not more uncertainty. South Africa does not need another decade of promises; it needs delivery, restitution completed, state land released, farmers supported, title deeds issued, rural communities revived, and above all, it needs a government that measures success, not by how much money it spends, but how many lives it changes.

For these reasons, while we support meaningful land reform and redress, we remain deeply concerned that this budget does not adequately address the fundamental failures that continue to undermine this initiative. Thank you.

Ms M G DHLAMINI: Good afternoon, hon Deputy Chairperson, hon Minister, hon Deputy Minister, hon delegates and fellow South Africans.

Sesotho:

Dumelang!

English:

Hon Chair, allow me to address the following issues: An ideology is a systematic set of beliefs, values, and ideas that shapes how individuals or groups perceive the world and make decisions. Therefore, hon Van den Berg, the issue of land reform can never be only an ideology, but it is how we believe and perceive the world. So, Orania is part of the ideology of those who believe in forming Orania.

Hon Swart, the people of this country have suffered not only in the past 30 years, but they have suffered more than 100 years ago when you came to this country and took over the land from them. That is when their suffering started. [Interjections.]

Hon Billy, the Expropriation Act was passed into law in January 2025 to enable the government to expropriate land for public purposes, including land reform. However, the Expropriation Act is being challenged in court by various groups and individuals while the legislation continues despite the Act's passage in January 2025. Therefore, it has not been implemented due to court rulings and court battles, not because the ANC failed.

Let us tell the people of South Africa the truth: Some of you here, individually or collectively, or your brothers out there and sisters, are prohibiting the land reform implementations because the department spent a lot of money that you have indicated here as a loss or failure or wasteful expenditure in defending the government on land reforms when you challenge them in the courts of law. Let us tell the people of South Africa the truth.

Hon Pienaar, whilst you were outside, because you have made it ... Hon Deputy Chair, the hon Pienaar has made it a norm that all the time when I come here and speak, he is going outside. However, he will still hear me whilst he is outside. Hon Pienaar, the colour of the skin was also used in 1913 when the land was taken from black people. The colour of the skin was used when those native laws were put in place to take the land from the ... [Interjections.]

The DEPUTY CHAIRPERSON OF THE NCOP (Mr P Govender): Order, hon members. Order! Let us hear the delegate.

Ms M G DHLAMINI: Now, the current land reforms and the Constitution of the country are here not to oppress white people, but to address the imbalances of the past. Let us not mislead the nation; let us tell the nation the truth.

Hon Ngcobo, the expenditure you have indicated, my dearest sister, is part of the day-to-day running of the department. There is no way that the department can run and operate without those particular expenditures you have referred to. Those expenditures are in this Budget Vote, trying to address exactly what you are concerned about. Therefore, this Budget Vote is proper and is supported by the ANC.

Hon Bosman, most often delegates from the Western Cape, come here and tell South Africans that when things are going well in the Western Cape, it is due to the Western Cape Provincial Government, but when things fall apart and the provincial government of the Western Cape fails, it is due to the national department. It becomes a norm!

The people of South Africa must know the truth: When the government wins, it wins from national to local municipalities, and when it fails, it fails collectively because the budget and the processes of government are the same. I am not sure if the people of Dunoon, the Cape Flats, et cetera, can witness to what hon Bosman was saying here. I am not sure if they can witness it.

Hon Deputy Chair, the ANC supports Budget Vote 42 because there is an urgent need to implement Land Reform and Rural Development programmes. In the 2025-26 financial year, the department planned to have the following legislation approved: Land Survey Amendment Bill 2025; Equitable Access to Land Bill 2025; and the Communal Land Bill of 2025.

Furthermore, the ANC supports the department’s budget to address and implement the following key areas and programmes and/or interventions to support the Commission of Restitution of Land Rights’ outstanding claims across different provinces, especially KwaZulu-Natal, Limpopo, Mpumalanga and other provinces, as earlier mentioned by hon Modise, the chair of the select committee, which still has the highest number of outstanding claims.

We support the budget for the improvement of the research capacity of the Commission on Restitution of Land Rights' outstanding claims; to mitigate the delays related to these disputes and land values; to enhance compliance with *Land Access Movement of South Africa and Others v Chairperson of the National Council of Provinces and Others* [2016] ZACC 22 judgment to pave the way of the processing of new claims; to provide support for the institutional architectures of the Office of the Valuer-General; and to provide credible and incontestable land valuation to support the transformative objectives of land reform.

Land Redistribution is central to the prospects of inclusive economic growth. Therefore, the agricultural landholding account is crucial to the process of land acquisition. The policy shift from the willing-seller-willing-buyer principle to the principle of justice and equity has not yet been realised due to the dominance of market rationality and legislation that stalls progress in land redistribution, not what hon members came here and presented as the truth.

The truth is that they are part of holding back any process through litigation and court battles against the government implementing land reforms. This situation needs to be overcome as a matter of urgency. The establishment of governance and financial management of the Ingonyama Trust Board is urgent, including expediting the dispute before the court. The ITB needs to strengthen its antifraud mechanism and recover all misappropriated funds and assets.

We, as the ANC, would like to thank and acknowledge the good work that all provinces are doing in terms of implementing the Land Reform Programmes in their various provinces. It indeed shows that as a country, we are going somewhere. As we continue to invoke the 1955 Freedom Charter, we promise that, and I quote, "All the land will be redivided amongst those who work in it to banish the famine and land hunger. We further declare that food shall be plentiful, and no one shall go hungry," while others are busy holding us back in court battles.

The state is spending a lot of money defending itself against the people who are standing here, portraying to be representing black people and the poor masses. There is no such thing as the DA representing blacks and poor people. There is no such thing! These are not empty slogans, but solemn pledges of our people's democracy.

As we celebrate the birth and existence of our Constitution, we are reminded that the right of every citizen to sufficient food and water is important. Therefore, Chair, the ANC supports this Budget Vote, and we encourage the Minister, the Deputy Minister and the entire department to continue implementing all programmes and priorities as set out in your APP of 2026 as a matter of urgency.

As the ANC, we are going to rally behind you to continue making a difference in terms of land reforms, and ultimately, we will get our people to own the land. We know that some of them, when standing here, are speaking from the point of privilege. They have farms, they have properties, and they have everything. So, they are defending and protecting their space, not the people of South Africa.

Whilst most of the people of South Africa are still suffering, these private owners are the ones making sure that these land reforms are not necessarily implemented. Hence, they are challenging them. However, we are not going to be deterred. We are not going to stop the transformation - be it the court battles, be it misinformation here, or be it lies told our people every day by the people who claim to be representing them when they represent themselves. We are going to work together with all departments to ensure that *transformation is happening as a matter of urgency.

IsiZulu:
Ngiyabonga Sihlalo.

The MINISTER OF LAND REFORM AND RURAL DEVELOPMENT: Hon Deputy Chairperson, the debate has confirmed one central point, no one can avoid the land question in South Africa. The real question is whether we have the courage, discipline and capacity to implement land reform faster, better and more fairly. That is what Budget Vote 42 is all about. Hon Modise, you correctly placed land reform within justice, dignity and productive land use. We must memorialise the victims of Boipatong Massacre not only through remembrance but through land that restores communities and supports development.

On District Six, the President has given a clear direction. We understand that instruction and will deliver on the responsibilities that fall within our mandate. Hon Kontsiwe, where we agree that land reform is central to rural development, meaningful enterprises must emerge from land supported by all spheres of government. We are expediting state land transfers so that qualifying farmers receive title deeds and build productive, secured farming enterprises. Hon Pienaar, we will not shy away from reversing dispossession. The land question cannot be answered through fear, panic or selective property rights arguments. State land release is important but it is not sufficient. More land must be redistributed lawfully to historical disadvantaged people and our approach has not relied on punitive measures.

IsiXhosa:

Sekela Sihlalo, bendizimase umhla wesikhumbuzo seJune 16 ...

English:

... with all the committees of June 16 and beneficiaries. Speaker after speaker was swearing, insulting and shouting at the DA-government in the Western Cape.

IsiXhosa:

Bekukubi phaya. Badiniwe nini, banibonile.

English:

Hon Ndlangisa-Nodada, thank you for placing women, youth and rural communities at the centre of this debate. Land reform must give practical effect to section 25 in full. Rural infrastructure construction and maintenance cannot be underestimated. Roads, water, fencing and productive assets improve livelihoods. Hon Rockman, the Free State has shown that we can empower farmers through title deeds. Your contribution to the National Rural Development Indaba made us proud. We look forward to presenting the full report and implementing plan.

Hon farmer, I take your point that land reform must build successful rural enterprises, not merely transfer land. Land reform is the backbone of rural enterprise development. Your expectation that targets must increase in the years ahead is fair, while strengthening the capacity, systems and partnerships required to do more. Hon Ngcobo, the issue you raised on the Ingonyama Trust board is also our concern. Land must benefit the rightful landholding communities. Through the commissioned investigation we will strengthen governance, accountability and the flow of benefits to communities. Land administration must serve people, not institutions.

Hon Montwedi we dispel the notion that land reform is failing. Post settlement support makes a real difference in the success of resettled landowners. We also appreciate the work done in Zebediela whose recovery will help counter negative perception of land reform. Hon Van Den Berg, we have adopted a mixed approach to criminal and family ownership among Partners in Agri Land Solutions, Pals, referred to as Plass farmers. The figures show a balanced distribution of hectares across these models.

The claim that individual ownership is inherently better, is not supported by the facts on the ground. Hon Moeketsi, we appreciate Mpumalanga's support for Budget Vote 42. Hon Swart, land reform cannot be reduced to good speeches, photographs and paperwork. On that there is no disagreement. It must produce functional farms, jobs, skills, markets and dignity. More successful agricultural economies are subsidised in one form or the other.

Hon Bosman, District Six is not a slogan to us. It is a national responsibility and the President has given us clear direction. We accept that delays have caused pain and will not hide behind paperwork. But before fingers are pointed only at this department to City of Cape Town Metropolitan Municipality must also account. How much has it contributed to this project?

The DEPUTY CHAIRPERSON OF THE NCOP (Mr P Govender): Thank you, hon Minister.

The MINISTER OF LAND REFORM AND RURAL DEVELOPMENT: The approval processes is affecting the implementation timelines.

The DEPUTY CHAIRPERSON OF THE NCOP (Mr P Govender): Hon Minister, your time has expired. Thank you.

Debate concluded.

APPROPRIATION BILL

(Policy debate)

Debate on Vote No 39 — Trade, Industry and Competition:

The MINISTER OF TRADE, INDUSTRY AND COMPETITION: Hon Deputy Chairperson, the Chairperson of the Select Committee, hon members, Deputy Ministers, MECs and Members of the Provincial Legislatures, present, distinguished guests, ladies and gentlemen, since the establishment of the Seventh Administration, we have been hard at work as a nation and as a continent. It is these two years that solidified our foundation of planning so that South Africa becomes the provider of a dynamic ecosystem where innovation thrives, industries diversify, and global partnerships flourish.

The adoption of the Industrial Development Strategy, IDS, charts the direction of our growth path. South Africa is reindustrialising through diversification, decarbonisation and digitalisation. Firstly, our diversification strategy, illustrated through a butterfly, demonstrates our ability to expand South Africa's productive base beyond traditional resource-intensive activities by deepening value-addition, fostering new industrial sectors, strengthening agroprocessing, services, regional value-chains, and diversifying export destinations.

In diversifying trade, the department is increasing the capacity of South Africa's exporters by providing integrated export awareness, training, coaching and mentorship, incubation and acceleration interventions. The department is activating increased exports of value-added products such as industrial machinery, chemicals, automotive components, pharmaceuticals, electro-technical components and goods, as well as aerospace and Defence equipment. These expanded baskets of products are being advanced in Africa as the basis of our global engagement, with existing markets such as the United Kingdom, UK, and Europe being pursued as part of renewed strategic engagements, while also being introduced to growing and emerging markets such as China through the China-

Africa Economic Partnership Agreement, CAEPA, initiative as well as Turkey, Brazil, Egypt and Southeast Asia amongst others.

Export promotion initiatives will be further advanced by appointing foreign economic representatives and placing them in strategic and priority foreign offices to secure increased exports and investment. The department will develop a nationally anchored nontariff barrier platform, and deliver increased trade finance and investment instruments, including through the implementation of the Afreximbank Country Programme following South Africa’s accession to the Bank.

Hon members, our 12 designated Special Economic Zones, SEZs - nine of which are operational, hosting 224 investors across R31,7 billion in cumulative investment and supporting more than 28 000 jobs - are the spatial infrastructure through which the Industrial Development Strategy, IDS, becomes symbols of inclusive spatial transformation.

South Africa’ pharmaceutical and vaccine manufacturing capacity is anchored by Aspen Pharmaceuticals in the Eastern Cape and Biovac in the Western Cape. These two are the expression of a deliberate sovereign industrial strategy.

South Africa now manufactures vaccines, active pharmaceutical ingredients and medicines within its own borders.

Adjacent to it that is Aspen, VSL Manufacturing has commissioned a R750 million automotive components facility at full production scale, next to the Isuzu assembly plant in Gqeberha. The VSL is 51% black female-owned and it is a graduate of the Black Industrialists Scheme. Its establishment is proof that transformation and industrial competitiveness are not competing objectives but can be mutually inclusive. This transformational symbol is being replicated at sector scale through the Automotive Industry Transformation Fund, AITF. The AITF is a collective Equity Equivalent Investment Programme, under the Broad-Based Black Economic Empowerment, BBBEE, framework. It is a R6 billion commitment from our leading Original Equipment Manufacturers, OEMs, namely BMW, VW, Mercedes-Benz, Ford, Isuzu, and Toyota, deployed to fund the entry and growth of black-owned and black women-owned enterprises across the automotive value-chain.

In Gauteng, South Africa’s investment book tells us that in the Vaal, there is a start-up of a chemical production plant that will utilise the latest membrane technology to produce chlor-alkali products at a total cost of R2 billion. The proposed Afro-Zonke Chlor-Alkali manufacturing operation will be producing 50 000 metric tons per annum chemical products.

Let us not forget about Gauteng's cutting edge 3 000 square metre facility that is ready to support clean energy innovation by transforming Platinum Group Metals, PGMs into high performance catalyst precursors, catalysts, and Membrane Electrode Assembly, MEAs' designed to meet the demands of both electrolyser applications and automotive and stationary fuel cells. This state-of-the-art operation, equipped with the latest technology, offers production capacity, delivering up to 4 tons of premium catalysts and 18 million MEAs annually.

In addition, the R18 billion Chartwell Data Centre Campus is under development, bringing global technology investment into South Africa, creating 1 400 jobs at development and 400 permanent positions, and establishing our country as the digital infrastructure hub on the African continent.

Clearly, South Africa is now attracting hyperscale investment because we have the relative power stability, competitive connectivity, skilled labour, and a government that has made data infrastructure a national industrial priority.

In KwaZulu-Natal, we are pleased to announce the Nyanza Light Metals project at the Richards Bay Industrial Development Zone has started, symbolised with R15 billion of industrial infrastructure that is now in the implementation phase. Uniquely, this project is financed primarily by African and SA Development Financing Institutions. We should pride ourselves that South Africa's titanium mineral resources will be converted into high value titanium dioxide pigment and in the process generating more than 2 400 construction jobs and 850 skilled operational positions, with 30% employment reserved for women and youth.

The Industrial Development Corporation's, IDC's targeted support for Tongaat Hulett, validated by the recent withdrawal of the liquidation proceedings, keeps an anchor industry intact and sustains the upstream and downstream employment base. Two hundred and fifty thousand livelihoods were secured as a result of this intervention by the Department of Trade, Industry and Competition family.

Furthermore, the expansion of the Dube Tradeport SEZ, unlocks over R2 billion across automotive components, clothing and textiles, pharmaceuticals and renewable energy. This province’s industrial portfolio is broadening in multiple directions simultaneously.

In Mpumalanga, the Nkomazi SEZ is the African Continental Free Trade Area, AfCFTA, translated into concrete action. The DP World’s inland port, integrated with the Port of Maputo through the Maputo Development Corridor, routes South African industrial output directly onto the continent and globaly. The National Empowerment Fund, NEF-supported Mpumalanga International Fresh Produce Market — valued at approximately R2 billion — integrates 150 000 small scale and emerging farmers into formal agricultural value-chains, supporting over 115 000 farm level jobs and more than 1 600 Small Medium and Micro Enterprises, SMMEs. This is demonstrative of South Africa’s commitment to working with our neighbours to achieve mutual prosperity for our people.

In the Free State, we are implementing our black industrialist programme that will result in the growth of the agriculture sector. We are working with industry, young black industrialists and farm growers to revitalise a very important industrial space and economy to the people of Maluti-a-Phofung. The development of an apple pack house and apple juice concentrate plant will feed into the supply chains of

Heineken beverages. Likewise, the sugar and agroprocessing value chain is protected and growing.

Hon Deputy Chairperson, through decarbonisation we are telling a story of transitioning industrial production toward low-carbon technologies, cleaner energy systems, and climate-resilient processes to safeguard export competitiveness, reduce vulnerability to carbon border measures, and unlock new green industrial opportunities.

As government, we are creating an environment where South Africa enjoys a significant competitive advantage in both critical inputs and in its existing industrial base. Some of the world's highest levels of solar radiation over vast tracts of land, combined with strong regional wind resources, coincide with the mineral endowments that align directly with the objectives of the Just Energy Transition.

As you are aware, South Africa holds around 80% of the world's manganese resources, ranks among the top six iron ore producers globally, has a leading Platinum Group Metal, PGM, resource, and has abundant reserves of rare earths, vanadium, and chrome, among others. These same renewable energy assets — low-cost, reliable, and carbon-neutral — are increasingly sought by global hyperscalers and technology companies seeking green-powered locations for data centre and digital infrastructure investment.

At the centre of these regional resources is the Northern Cape, which hosts most of them, and the province benefits from established infrastructure, access to global markets, and an industrial park. In partnership with Business Unity SA, Busa, and the province, we are positioning the province to anchor a new generation of industrial clusters that combine: Firstly, critical minerals beneficiation, secondly, renewable-linked manufacturing, thirdly, transmission infrastructure expansion, fourthly, green hydrogen production, and the fifth one, data centre development.

Realising this potential, however, requires a deliberate build-out of the enabling infrastructure — namely expanding grid capacity, transmission corridors, logistics and port connections, water systems, and fibre — sequenced to match the needs of priority projects and anchor investors.

Hon members, lastly, digitalisation symbolises our efforts to embed digital technologies across industries to raise productivity, enable innovation, improve scale and co-ordination, and position South Africa competitively in digital services and knowledge-intensive activities.

In Global Business Services, GBS, South Africa competes directly with India and the Philippines for international business process outsourcing — and we are winning contracts. We are winning them not only in Johannesburg and Cape Town, but increasingly in Polokwane, Emalahleni and George. Our GBS incentive reforms are deliberately routing investment toward smaller towns, so that young people outside the main metros can enter the digital services economy without leaving home.

The Digitalisation pathway is, at its foundation, a generational investment. The data infrastructure being built today, the Business Processing Operations sector being scaled, the digital manufacturing capabilities being embedded across our digital and industrial base.

Hon members, 75 national government incentives exist in South Africa. These incentives tell a story of South Africa's structural reforms and infrastructure investment plan, which demonstrates our ability to create investment opportunities aimed at expanding the infrastructure base of the country to spur economic growth and industrialisation.

A story of a country that is advancing its National Development Plan target of achieving 30% of gross fixed capital formation to gross domestic product, GDP, by 2030 by positioning South Africa as a key preferred African investment destination.

A story of a government helping companies to grow, and in turn, create jobs. Beyond supporting businesses with growth capital, private equity firms actively help companies develop good governance, innovate and access new markets.

A story of a country that offers a variety of incentives. We have Corporate Income Tax Incentives; Building Allowance Incentives; Employment Tax Incentives; Customs and Excise Incentives and Value-Added Tax Incentives.

The department continues to place youth employment and skills development at the centre of its industrial agenda. Through the Youth Employment Services, Yes, programme, 8 347 young people were trained during this financial year, while a further 51 interns under the age of 35 will commence placements within the Department of Trade Industry and Competition from 1 July.

In addition, the National Empowerment Fund, NEF, in partnership with Bank Sector Education and Training Authority, Seta and W&R Seta, provided training and work-integrated learning opportunities for 502 young beneficiaries across the country.

Building on these achievements, the Annual Performance Plan, APP, targets the creation of more than 100 000 employment opportunities through a range of interventions, including 6 000 opportunities through SEZs, 1 275 through export promotion initiatives, 5 000 through Global Business Services, GBS, and 7 000 linked to incentive disbursements.

Furthermore, the Small Enterprise Fund's planned R1,5 billion in disbursements during 2026-27 is expected to support approximately 50 000 job opportunities, while the Yes programme is targeting a further 55 000 employment opportunities.

The Social Employment Fund, Sef, a symbol of youth development, in the 2025-26 financial year, reached 94 480 participants. Sixty-eight percent of them are young people.The Sef reflects some important about how we understand a relationship between industrial policy and social policy.

Hon members in 2025-26 financial year, the 2025-26 financial year, the Department of Trade, Industry and Competition and its entities attracted R647 billion in investment targets of R450 billion.

Hon members, allow me to express my gratitude to the Deputy Ministers, the director-general, DG and all the team for their efforts in enabling us to get where we are and defined vision of what we seek to achieve. I hereby table Budget Vote No 39. Thank you very much. [Applause.]

The HOUSE CHAIRPERSON (Mr B A Radebe): Thank you, hon Minister for articulating the programmes of your department. It is highly appreciated. The next speaker at the podium is the hon Boshoff, the Chairperson of the Select Committee on Economic Development and Trade.

Ms H S BOSHOFF: Hon House Chairperson, hon Minister, hon Deputy Minister, hon members, fellow South Africans, good afternoon. The Select Committee on Economic Development and Trade was tasked to consider the 2026-27 annual performance plan, APP, and budget allocation of the Department of Trade, Industry and Competition. Having considered the APP, the budget allocation and the engagement with the department, the committee supports the 2026-27 annual performance plan and budget, and recommends its adoption by this House, whilst highlighting matters that require continued oversight during this financial year.

The Committee notes that the department has been allocated a projected budget of approximately R11,69 billion for the 2026-27 financial year. Of this amount, approximately R4,08 billion, or 34,89%, is allocated to business incentives and industrial financing. A further R2,31 billion is allocated to external programmes. Approximately R1,8 billion supports the department's entities, and R1,16 billion is directed towards infrastructure investment incentives. These allocations demonstrate the government's continued focus on industrial development, investment attraction, and enterprise support. The department's strategy remains anchored on the three strategic pillars of decarbonisation, diversification, and digitalisation. These pillars seek to strengthen industrial competitiveness, expand exports, support localisation, unlock new industries, and position South Africa to participate more effectively in a changing global economy.

The committee acknowledges that the department's plans are being implemented in a challenging environment, characterised by subdued global growth, geopolitical uncertainty, logistical inefficiencies, infrastructure constraints, municipal service delivery challenges, and persistently high unemployment. Against this backdrop, the department has set ambitious targets for the 2026-27 financial year, including attracting R750 billion in investment, securing R154 billion in exports to Africa, and increasing procurement of locally manufactured goods and services by R100 billion, operationalising 10 of the 12 Special Economic Zones, SEZs, revitalising 15 industrial parks and facilitating the creation of 6 000 jobs through industrial development initiatives. The committee welcomes these targets and recognises their potential contribution towards economic growth and employment creation. Members nevertheless emphasised that successes will ultimately be measured through implementation and tangible economic outcomes. Under Programme 2: Trade, the department continues to focus on strengthening regional integration, expanding market access, and supporting South African exporters. The committee welcomes ongoing efforts to advance the implementation of the African Continental Free Trade Area, strengthen trade relations with strategic partners, and expand participation by South African firms in regional and global value chains.

Export growth remains critical to economic recovery, and members encourage the department to continue supporting businesses seeking access to new markets while addressing barriers that constrain trade. Under Programme 3: Investment in Spatial Industrial Development, the department continues to support industrialisation through Special Economic Zones, industrial parks, logistic hubs, and investment facilitation initiatives. The committee notes the department's work relating to the Nkomazi and the Musina-Makhado Special Economic Zones and welcomes continued efforts to expand the Invest South Africa one-stop shop model. Members stressed that the successes of these initiatives should be measured not only through infrastructure development but through investor occupancy, private sector participation, job creation, localisation outcomes, and measurable returns on public investment. The committee further notes that during the 2025-26 financial year, the department secured over R645 billion in investment commitments and reported 224 operational investors across Special Economic Zones, with cumulative investments of approximately R32 billion, and more than 28 000 permanent jobs. Under Programme 4: Sectors, the department continues to support the manufacturing and the critical minerals beneficiation, renewable energy components, electric vehicle batteries, steel production, hemp and cannabis commercialisation and sector master plans.

Members welcomed the department's continued emphasis on localisation and industrial expansion, particularly the target of increasing procurement of locally manufactured goods and services by R100 billion. The committee also notes that during the previous financial year, approximately R1,4 billion was directed to projects outside the five major metropolitan areas. R613 million was dispersed to SMMEs, women and youth-owned enterprises, and R688 million to black industrialists. And we heard the Minister alluding to it as well. The committee believes that these interventions can contribute meaningfully to broadening economic participation and supporting regional development. However, members stress that industrial policy objectives remain difficult to achieve unless broader constraints relating to logistics, infrastructure, and municipal performance are addressed. The committee further considered Programme 5, which speaks to regulation, and this focuses on creating a more efficient regulatory environment. Particular attention was given to the proposed Omnibus Bill, aimed at reducing red tape and improving the ease of doing business. Members acknowledged that regulatory complexity, lengthy approval processes, and duplication across government institutions remain significant concerns for investors and businesses alike.

The committee is of the view that reducing red tape is not about weakening oversight or accountability; rather, it is about ensuring that government processes are efficient, predictable, and transparent. The committee, therefore, welcomes efforts aimed at streamlining regulatory processes and improving co-ordination across the government, while emphasising that success should ultimately be measured through practical outcomes, such as reduced approval times, lower compliance costs, and improved investor confidence. The committee further considered the department's transformation agenda. The department intends to disperse approximately R4 billion to enterprises that comply with the Broad-Based Black Economic Empowerment Act and continues to pursue the broader objective of a R100 billion Transformation Fund. The committee also notes that funding commitments in excess of R17 billion have reportedly already been secured from public and private sector partners towards this initiative. Members acknowledged the importance of expanding economic participation and creating opportunities for historically disadvantaged individuals and enterprises, while stressing the need for transparency, accountability, and measurable outcomes.

The committee also considered governance and performance management matters. The department has committed itself to maintaining a clean audit outcome, improving entity performance, reducing vacancy rates, and strengthening digital systems. Members emphasised the importance of ensuring that performance indicators remain measurable, verifiable, and supported by reliable source documentation. The committee notes that the number of indicators contained in the APP has increased from 71 to 81, and stresses that robust monitoring and reporting systems will be essential to support effective oversight and avoid repeat audit findings. A recurring theme throughout the committee's deliberations was implementation. Members repeatedly emphasised that the success of the department will not be determined by plans, strategies, or announcements alone. Success will be measured by whether investment commitments translate into operational projects, whether export opportunities result in increased trade, whether industrial infrastructure attracts productive economic activity, and whether public resources generate measurable returns for the people of South Africa. Having considered the 2026-27 APP, the strategic priorities of the Department, the budget allocation, and the responses provided during the engagement, the committee is satisfied that the Department's plans are broadly aligned with the objectives of industrialisation, investment attraction, economic transformation, export growth, and job creation.

The committee will continue to exercise robust oversight to ensure that targets are achieved, resources are utilised effectively, and that the department delivers on its mandate to promote industrialisation, investment, competitiveness, economic growth, and job creation. I thank you.

Ms N N PIETERS (Eastern Cape): Hon House Chairperson, good evening to you, the hon Minister, hon Deputy Ministers, hon members of the National Council of Provinces and viewers at home ...

IsiXhosa:

... ndibulisa wonke umntu.

English:

I will be responding to Budget Vote 39 with the Vote purpose that starts with: “Lead economic development policy formulation and planning.”

I won’t finish it, but going to the end it ends by saying:

> Contribute to achieving government’s vision of an adaptive and restructured economy characterised by accelerated economic growth, employment creation and greater equity.

Allow me at the outset to commend the hon Minister for the clear and forward-looking direction articulated through the recently adopted Industrial Development Strategy. The strategy’s focus on decarbonisation, diversification and digitalisation provides a compelling framework to reposition South Africa’s industrial base for long-term competitiveness, resilience and inclusive growth.

From the perspective of the Eastern Cape, we welcome this strategic direction because it aligns closely with the trajectory we are already pursuing. The province is not merely responding to these priorities; we are actively embedding them into our economic development agenda and industrial growth path.

For Eastern Cape, low-carbon energy is not simply an environmental imperative; it is a strategic economic enabler that underpins industrialisation, investment attraction and export competitiveness. This reality is becoming increasingly evident as global trade rules evolve.

Mechanisms such as the European Union's Carbon Border Adjustment Mechanism are fundamentally reshaping international commerce. Under this framework, exporters will be required to account for the carbon content embedded in their products, and from 2026, this will translate into a carbon cost at the border. Carbon intensity is therefore no longer solely an environmental consideration; it has become a determinant of market access and international competitiveness. South Africa remains vulnerable in this regard due to the relatively high carbon intensity of exports linked to coal-based electricity generation.

As these global measures expand, export-oriented industries will face increasing pressure to decarbonise or risk losing competitiveness in key international markets. For our province, these developments have direct implications. Our automotive sector, one of South Africa's leading export industries, will increasingly be required to demonstrate low-carbon production processes, decarbonised supply chains and access to clean energy sources. Global automotive manufacturers are already restructuring value chains in response to stringent sustainability requirements and changing consumer expectations.

In this environment, electricity itself becomes a strategic competitive advantage. The carbon intensity of the power used in production directly influences the carbon footprint of exported products, and consequently their ability to compete in global markets. This is where the Eastern Cape is uniquely positioned not only to respond but to lead. The province has made significant progress in building a diversified energy portfolio, with approximately 2 476 megawatts of installed generation capacity, of which 1 970 megawatts is derived from renewable energy sources.

In addition, we continue to develop a robust pipeline of wind, solar, liquefied natural gas-to-power and green hydrogen projects. Importantly, the province possesses some of the strongest wind resources in the country, providing a natural competitive advantage in the production of low-carbon electricity. This positions the Eastern Cape to supply clean energy at scale to industrial clusters, reduce the carbon intensity of exports and strengthen its attractiveness as a destination for green manufacturing and industrial investment.

Decarbonisation therefore becomes not a constraint on growth, but a catalyst for reindustrialisation, investment attraction and export expansion. We also welcome the Minister's emphasis on strategic global partnerships, particularly through the European Union and the Global Gateway Initiative. The Eastern Cape is already demonstrating how these partnerships can be translated into tangible economic opportunities.

The Coega Green Ammonia Project has received international recognition as a flagship initiative capable of positioning South Africa as a global hub for clean maritime fuel production. This project exemplifies the convergence of industrial development, energy transition and export-led growth. We therefore encourage continued national support to accelerate infrastructure readiness, project preparation and institutional co-ordination for catalytic investments that position South Africa competitively within emerging global green value chains.

Hon members, diversification in the Eastern Cape is increasingly being driven through energy-led industrialisation. Our Special Economic Zones, particularly the Coega Special Economic Zone, SEZ and the East London Industrial Development Zone, are evolving into integrated industrial platforms that connect energy generation, manufacturing, logistics and export activity. At the same time, digitalisation is emerging as a defining feature of modern industrial development.

We are witnessing growing momentum in attracting large-scale data centre investments into our special economic zones. These facilities require secure, reliable and increasingly low-carbon electricity, demonstrating the growing interdependence between the digital economy and the energy transition. In support of this vision, the East London has launched a R330 million digital infrastructure programme aimed at strengthening data management systems, connectivity and information and communications technology, ICT infrastructure. This investment signals a decisive commitment to positioning our province as a participant in the rapidly expanding digital economy.

While we pursue these opportunities, we remain firmly committed to ensuring that industrialisation is inclusive. The investments associated with the energy transition must create opportunities for small, medium, and micro enterprises, SMMEs, local suppliers, youth, women and communities across the province. Accordingly, our focus remains on localisation, enterprise development, supplier integration and skills development to ensure broad-based participation in emerging industries and value chains.

Our response to the Industrial Development Strategy is therefore one of partnership. We remain committed to working closely with national government to ensure that the strategy translates into measurable economic outcomes. We see significant opportunities for collaboration in energy transmission infrastructure, industrial incentives, localisation frameworks, investment facilitation and the co-ordination of international partnerships.

The Eastern Cape's commitment to industrial growth is already yielding measurable results. Provincial exports increased from R41,6 billion in 2015 to R78,6 billion in 2025, representing growth of approximately 70% over the period. Over the same period and driven by the increasing importance of the African continent as a trading partner, the value of Eastern Cape exports to Africa grew from R5,3 billion to R10,1 billion. As the African Continental Free Trade Area gains momentum, we see enormous opportunities to expand regional trade, strengthen industrial value chains and unlock new export markets for Eastern Cape products and services.

As announced by the hon premier during the state of the province address, the province is preparing to host an Export Symposium that will bring together exporters, investors and strategic partners to strengthen export readiness and expand market access opportunities. To position the province within an increasingly dynamic global economy, we will continue leveraging the momentum generated by the Coega and East London Industrial Development Zones while building on the outcomes of the South African Investment Conference, through which the Eastern Cape secured investment pledges valued at R13,1 billion.

Collectively, the Eastern Cape government through its entities attracted investments amounting to R2,2 billion during the 2025-26 financial year. We will continue working closely with the private sector through the Provincial Investment Council and strategic platforms such as the Eastern Cape Investment Conference, the Export Symposium and the Eastern Cape InvestSA One Stop Shop to accelerate investment attraction and facilitate project implementation.

Diversification is no longer an aspiration for the Eastern Cape; it is already taking shape. We are witnessing growing investment across the digital economy, renewable energy, logistics, advanced manufacturing and other emerging sectors.

The HOUSE CHAIRPERSON (Mr B A Radebe): Hon Pieters, unfortunately your time has expired. Thank you for articulating the programmes of your department.

Ms N PIETERS (Eastern Cape): House Chairperson, as the Eastern Cape province, we support Budget Vote 39. Thank you.

Mr N H PIENAAR: Chairperson, Minister, Deputy Minister it’s great seeing you here as well, fellow Members of Parliament, and as always, citizens at home, it is with great expectation that we debate the budget of the Department of Trade, Industry and Competition.

This department sits at the forefront of economic growth and job creation. It is uniquely positioned to create fertile soil in which the private sector can flourish and employ the millions of South Africans who sit at home, day after day, looking for an opportunity to empower themselves, particularly our unemployed youth.

The DA is clear. Government should be like the summer rains that bring to life the seeds already planted in the ground. Its role is to create the conditions for growth, but if the department is poorly led by ideology, it can easily become the poison in the water ...

Afrikaans:

... en dit vat net een druppel gif om die water te kontamineer, en hier is darem bitter baie gif in hierdie vertrek.

’n AGB LID: Nè!

English:

The Department of Trade, Industry and Competition is one of the few departments whose decisions ripple across almost every sector of the economy. This is why, Minister Tau, we will hold you to the standards set by the Government of National Unity and its key principles — economic growth, investment and job creation.

The HOUSE CHAIRPERSON (Mr B A Radebe): ... [Inaudible.] ... it seems there’s a point of order from hon Farmer. On what are you rising?

Mr B J FARMER: Chair, is it parliamentary for a member to refer to other members as gif [poison]?

The HOUSE CHAIRPERSON (Mr B A Radebe): Sorry, can you repeat yourself?

Mr B J FARMER: Is it parliamentary for a member to refer to other members as being poison?

The HOUSE CHAIRPERSON (Mr B A Radebe): No, it is not done. It is not done. However, I didn’t hear that so I cannot make a ruling now. I will consult the Hansard and look at what was actually said. Over to you, hon Pienaar.

Mr N H PIENAAR: Today, the Minister comes before this House seeking the approval for a budget of R11,69 billion. However, before we vote, we must ask a simple question. How has his department spent the taxpayers’ money, because, Minister, let me remind you that this is not your money. It belongs to the hardworking South Africans who get up every morning, and pay their taxes and expect government to use those funds wisely, as our duty as Parliament is to hold you to account.

Let me start with the Transformation Fund, a fund that has already been delayed repeatedly because government still cannot explain where the money will come from, what existing programmes will be cut, or how it will avoid becoming yet another vehicle to enrich the connected cadres.

The Minister's own department already allocates over 2,2 billion towards transformation and competition programmes, yet unemployment remains above 30%. South Africans do not need another fund. They need jobs.

Clearly this is an election year and the ANC hopes that grand announcements and expensive funds will somehow revive a party that received only 39% of the vote in the last election.

Let me break the news to the Minister. The voters have already spoken. South Africans want growth, not slogans. They want jobs, not political patronage. However, enough about dying parties, Minister.

There are three critical issues that require your serious attention. Firstly, the growing abuse of South Africa's automotive incentive and tariff regime. As a proud neoliberal, I believe in free markets. Competition can only benefit the consumer. It drives down prices and improves quality. However, the rules must apply equally to everyone, capitalist and communist alike.

For decades, manufacturers from Germany, Japan, elsewhere invested billions of rand in South Africa's production facilities because government promised a stable and fair regulatory environment. Yet, we now increasingly see a number of vehicles imported in semiknockdown form, with minimal local value addition, while still benefiting from incentives designed to support genuine local manufacturing.

Minister, I urge you to investigate these arrangements thoroughly. If companies are exploiting loopholes while others are investing honestly in South African jobs, then government must act. I urge you to start investigating at Coega. I think you know what I'm referring to there.

The second issue is our collapsing industrial parks. These industrial hubs once provided thousands of skilled jobs and acted as engines of local economic growth.

Today, many of them are abandoned, vandalised or simply falling apart. Minister, special economic zones, SEZs, industrial parks and logistic hubs continue to receive massive funding from your department, while provinces and municipalities are failing to maintain them and to revitalise these assets.

More meetings will not solve this problem. More workshops will not solve this problem. What is required is your intervention, accountability and consequences. I call on you to act and intervene immediately, Minister, before there is nothing left.

The third issue I want to discuss with you, Minister, is your proposed Omnibus Bill aimed at reducing red tape. In our previous select committee meeting, the Minister indicated that he intends to work hand in hand with the private sector to ensure that this legislation genuinely improves the ease of doing business, and that the department will not sit back and think they know better.

We welcome that commitment, Minister. However, Minister, whatever you do, please do not take advice from the Minister of the Department of Small Business ... and her disastrous, doomed Business Licensing Bill. Please, Minister.

Minister, we will support policies that promote growth, investment and job creation. We will work with you where progress is being made, but we will also hold you accountable whenever ideology is placed ahead of economic reality. I urge you to also consider the call from hon Ryder in the Small Business ... debate to review the Public Interest Score formula, which was last updated in 2012, because at the end of the day, South Africans are not interested in how many meetings were held or how many strategies were launched. They want opportunities to work. I thank you, Chair.

Mr M G MODISE: Chairperson, hon Chairperson of the session, hon Minister Tau, please don't go to Spain using taxpayers' money, hon Deputy Minister, hon Members, special delegates, Members of the Executive Councils, fellow South Africans, what they will not tell you about the ANC’s 39% is that majority of those that vote for the ANC did not go out and vote because they believed the ANC would win. Unfortunately for them, they will never grow beyond the 6 million votes that they got.

Today, we paid tribute to Sibusiso “Rhee” Zuma, a name that still echoes in stadiums from Durban to Copenhagen. You were not just a footballer, Sibusiso; you were poetry in motion, dreadlocks flying, smile wide, ball glued to your feet, you made the impossible look casual. For Bafana Bafana, you wore the badge with pride, 67 caps, 13 goals, and moments that made the nation believe. That run you made at the 2002 Fifa World Cup, the goal against Slovenia, you carried hope every time you stepped on the pitch. For Orlando Pirates, you were a Buccaneer who played with flair, courage, and unmistakable South African swagger. You helped them to lift the 2001 BP Top 8 and gave us nights under the lights that we'll never forget. For FC Copenhagen, you became a legend, a Danish league champion, a cult hero, a man they still sing about in Parken. You showed Europe that Mzansi's talent is world-class. That is why today they have your statue, and they recently honoured you because they knew your name. Off the field, you were humble and soft-spoken. A man who never forgot home, who gave back to Hammarsdale, who inspired kids to dream bigger than their circumstances. Sibusiso, you taught us that football is joy. That flair and discipline can live in the same body. That boy from KwaZulu-Natal who conquered the world without losing his soul. Thank you for the memories, the magic, and the madness. Thank you for making us believe. Once a Buccaneer, always a Buccaneer. Once a hero, always a hero.

IsiZulu:

Siyabonga, Msholozi.

English:

Chairperson, through you, Minister, please remember that an inch of movement is better than a kilometre of intentions. We debate Budget Vote 39 today in a global and domestic context that demands urgency, clarity, and discipline. Our economy grew by a modest 0,6% in 2024 and at 1,1% in 2025. However, in 2026, growth projections by institutional economics forecasts for South Africa highlight a consensus of modest but stabilising growth as structural reforms take hold. National Treasury projects 1,6% GDP growth for 2026, the SA Reserve Bank projects 1,4% growth, the International Monetary Fund Project 1,5%, whilst the World Bank's Organisation for Economic Co-operation and Development and Private Economies project the growth rate averaging around 1% to 1,2%, noting lingering pressures from high unemployment and elevated borrowing costs.

These numbers are not abstract. They represent factories not built, jobs not created, and households under pressure. Our economy does not operate in isolation. The global environment is volatile. President Trump's renewed tariff war is disrupting the supply chain and raising costs for developing economies. The wars in Ukraine and the Middle East have driven up fuel, fertiliser, and food prices while threatening the security of international shipping lanes. Given our geographical location at the tip of Africa, we are far from major markets and heavily exposed to maritime risk. Every container delayed at sea, every tariff imposed abroad hits our manufacturers and farmers first. The reality makes one thing clear: we must build self-sufficiency and reduce reliance on imports. Local production is no longer just an economic choice; it is a national security imperative. We cannot accept the 0,6% or 1,1% as our ceiling for economic growth. We must drive economic growth through local economic development to the next level. Our target must be at least 2% growth, and that is possible. Two foundations make this possible. First, the end of load shedding. With Eskom now building reserve capacity, we can finally support local industrialisation with reliable power. Second, the end of load reduction. Our townships, our rural areas, our industrial parks, must have the same certainty of supply.

Energy stability is the oxygen of manufacturing. Without it, master plans remain on paper. Growth will not come from slogans. It comes from strategy and execution. Developing a clear industrial strategy while implementing existing master plans is how we enable microeconomic development. We must link national policy to the District Development Model, DDM. The

DDM is where national intentions meet with local reality. It is where we identify a district's comparative advantage, align infrastructure, skills, and incentives in public and private investment. Whether it is agro-processing in the Eastern Cape, green steeling in Mpumalanga, or clothing in the Western Cape, the DDM must be the vehicle that turns master plans into jobs on the ground. The committee conducted rigorous oversight on the department's programme and budget allocation. Our first observation is structural. The bulk of this Budget Vote is not spent directly by the department. It is transferred to its entities. This means the department's real lever for delivery relies on how well it governs, monitors, and holds those entities accountable.

Therefore, our key recommendation is as follows: Every transfer to an entity must be accompanied by an accountability framework embedded in the entity's corporate plan. That plan must have clear, measurable targets for delivery and implementation. The department cannot transfer billions, then ask after the fact what was achieved. The targets must be set up front, reported quarterly, and linked to executive performance. The committee noted the adjustments to the budget. Adjustments matter because they reveal priorities. In a constrained physical environment, every rand moved must move us closer to industrialisation, jobs and self-sufficiency.

We welcome the adjustments that strengthen the support for industries in distress. The incentive programme that assists provinces to preserve primary industries is not a handout. It is a strategic intervention. When a factory in KwaZulu-Natal or a foundry in Gauteng is at risk, the cost of losing it is greater than the cost of saving it. Job preservation today is the foundation of job creation tomorrow. Given the current fiscal conditions, we must insist on qualitative spending. It is not enough to spend the budget. We must see the outcomes on the ground. A budget is not successful because it is 100% spend. It is successful when a small business receives its equipment, when a local supplier gets a contract, or when a young person gets a skill and a wage.

I want to remind the hon Minister that you cannot convince the monkey that the honey is sweeter than a banana. This is not about the honey or the banana. This requires proper planning for local industrial development. We cannot build industrial parks without water. We cannot approve agro hubs without roads to market. We cannot train the youth for jobs that do not exist. Planning must be integrated, evidence-based, and anchored in the real economy of each district. None of this is possible without the co-operation of the three spheres of the government. The national government sets policy and funding, the provincial government co-ordinates and implements, and the local government provides land, services and permits. When one sphere fails, the entire value chain breaks. In the Western Cape, District 6 teaches us a lesson. Intergovernmental co-ordination failures have delayed justice for decades. We cannot allow the same failures to delay industrialisation. We need one plan, one budget, one implementation forum per district. The 0,6% growth is not our destiny. Load shedding is not permanent. Import dependency is not irreversible. This Budget Vote must be a turning point. With stable energy, with a clear industrial strategy, with a DDM-led execution, with accountable entities, with targeted incentives, and with all three spheres pulling together, we can reach 2% growth and beyond.

We must be self-sufficient. We must measure productivity. We must protect industries. We must plan properly. Because when local industry grows, South Africa works. When the district produces, the nation prospers. Che Guevara reminds us that," When the truth demands a voice, those who stay quiet become part of the crime." So, we, the mighty and glorious ANC, join the Select Committee on Economic Development, led by hon Boshoff, in supporting this Budget Vote. I thank you.

Mr N P MASIPA (Western Cape): House Chairperson, Minister, Deputy Minister, hon members, in the corrupt ANC, EFF, PA municipalities, millions of South Africans wake up every day without access to reliable water. Now, imagine being a manufacturer trying to produce goods and grow the economy without water.

Chairperson, it cannot be correct that businesses are forced to relocate from one province to another simply because they cannot access basic municipal services. Businesses are leaving the corrupt ANC, EFF, PA municipalities that cannot provide basic services.

According to national assessments, dozens of ANC-led municipalities are in financial distress, while many water systems are classified as dysfunctional.

Every failing municipality becomes an anti-investment zone. A day without water is another day investment is driven elsewhere.

The question before us today is simple: How seriously is the Department of Trade, Industry and Competition taking this transversal role in removing the red tapes that prevent businesses from investing and creating jobs?

The department seeks to be a catalyst for economic transformation and a competitive environment for investment and trade. Those are commendable words, but alone, they do not create jobs.

What businesses need is a functioning state, not a corrupt state. They need reliable water, reliable electricity, efficient ports and responsive municipalities.

Chairperson, the department cannot simply produce policy after policy while municipalities and other departments undermine economic growth through poor service delivery.

Yesterday I read about a company that operated for 25 days without water before making the decision to relocate to the Western Cape. Their reason was simple, they were fed up with the corrupt ANC-led municipality.

Where was the Department of Trade, Industry and Competition? Where is the intervention when businesses are being choked by failing local government and urgency when jobs are being lost because municipalities cannot create environment to deliver the basics?

Chairperson, furthermore, this vote aims to foster an adaptive economy that accelerates growth, creates jobs and promotes equity.

Minister, we cannot achieve greater equity without economic growth. South Africa's economy has averaged less than 1% annual growth over the past decade. Treasury-focused growth of approximately 1,5% over medium-term, while economists consistently indicate that growth rates of 5% or more are required to reduce unemployment, poverty and inequality.

The truth is, no growth, no jobs, no equity.

Economic growth is not the enemy of transformation. It is the foundation of transformation, hon Minister.

Today South Africa's official unemployment rate remains above 30%, with more than 60% of young people are unemployed. For millions of young people the greatest inequality is not income inequalities, it is the inequality between having a job and having no job.

Chairperson, the Western Cape's growth for jobs strategy demonstrates what is possible when government focuses relentlessly on growth and employment. The strategy is built on a simple principle. Economic growth is not the responsibility of one department alone. It requires a whole of government approach and a whole of society approach. Businesses create jobs, government creates the conditions for jobs, labour contributes productivity. Working together, the Western Cape has achieved the lowest unemployment rate in South Africa at approximately 19% compared with the national average rate of 30%.

These outcomes were not achieved through slogans. They were achieved through partnerships, accountability and relentless focus on economic growth.

Businesses create jobs, not government. When government gets these fundamentals right, businesses invest and jobs are created. That is the lesson that the Department of Trade, Industry and Competition should champion across every sphere of government.

Chairperson, the DA welcomes the support provided to the Atlantis Special Economic Zone, SEZ. However, it is not enough.

The continued migration of people to metropolitan centres demonstrate that we are still not investing sufficiently in rural and coastal towns. This is why the DA believes far greater attention should be directed towards Saldanha Bay Industrial Development Zone.

The Saldanha Bay possesses enormous ...

The HOUSE CHAIRPERSON (Mr B A Radebe): Hon Masipa, there's a point of order in the House which has been raised?

On what are you rising, hon Modise?

Mr M G MODISE: Will the member take a question, Chair?

The HOUSE CHAIRPERSON (Mr B A Radebe): Are you willing to take a question, hon Masipa?

Mr N P MASIPA (Western Cape): House Chair, I’ll take a question once I’m done with my speech. Can you give me time to ...

The HOUSE CHAIRPERSON (Mr B A Radebe): When he’s done ...

Mr N P MASIPA (Western Cape): ... [Inaudible.] ... and I’ll take his question later.

Can I proceed, Chair? Can I proceed, Chair?

The HOUSE CHAIRPERSON (Mr B A Radebe): Yebo. [Yes.]

Mr N P MASIPA (Western Cape): The Saldanha region possesses enormous strategic advantages. It sits on a deep-water port, it is positioned along critical international shipping routes and has the potential to become a major industrial and manufacturing hub.

However, unlocking that potential requires decisive action. The long-standing land lease issues involving Transnet must be resolved, bulk infrastructure investment must be accelerated, funding certainty must be provided and government must demonstrate that industrialisation is not merely a slogan, but a national priority.

Chairperson, South Africa cannot industrialise while its logistic system is collapsing. The port of Cape Town has recently been ranked the worst performing container port in the world. Every delayed vessel, every missed export opportunity and every additional day spent waiting in port translate into lost investment and lost jobs.

The DA can assure this House today that we will continue holding the Port Authority accountable because efficient logistics are not a luxury, they are a prerequisite for economic growth.

Chairperson, the department’s legislative framework includes the Industrial Development Act, the Manufacturing Development Act, the Special Economic Zone, to name but a few.

The DA remains deeply concerned about the effectiveness of the Broad-Based Black Economic Empowerment, BBBEE, in its current form. I say this as a black South African who genuinely wants to see an equitable society.

After more than two decades, South Africa still faces one of the highest unemployment rates in the world, with black South Africans bearing the greatest burden. Too often, BBBEE has benefited corrupt ANC and EFF-politically connected elites rather than ordinary South Africans seeking economic opportunities. The PA has joined the elite as well.

The answer is not to abandon transformation, the answer is to pursue redress that is measurable, transparent and broad-based. The Western Cape provides an example. Without procurement quotas or mandatory set-asides, the Western Cape government directed 57,07% of procurement spending to black-owned enterprises, 34,6% to women-owned businesses and 25,29% to Small, Medium, and Micro Enterprises, SMMEs. This amounted to just under R20 billion all together spent with black-owned businesses and women-owned businesses.

These outcomes were achieved through transparency, open competition and good governance. That demonstrates that transformation and merit are not mutually exclusive. All you need is a clean government, open competition and economic growth.

Chairperson, South Africa requires investment levels above 25% of Gross Domestic Product, GDP, to sustain economic growth of about 5% or more. Yet, investment levels remain significantly below that threshold. This investment gap represents factories not built, businesses not expanded and jobs not created.

The Department of Trade, Industry and Competition must, therefore, become the government's chief advocate for investment and competitiveness. It must cut red tapes across all governments that deter investment.

As I conclude, we cannot ignore the geopolitical climate, from the Russia-Ukraine conflict to tensions in the Middle East to growing tariff disputes and trade protectionism; geopolitics is shaping international trade and investment flow.

The World Trade Organization, WTO, has warned of slower global trade growth amid increasing uncertainty in international markets. These developments have direct implications for South African exporters, manufacturers, farmers and workers.

The Department of Trade, Industry and Competition must, therefore, play a stronger role in defending South Africa's economic interests. It must be the voice that promotes trade and industrialisation because social grants alone cannot build a prosperous nation. A hungry child does not need another policy document, a hungry child needs parents with jobs.

That is why the DA will continue to advocate for economic growth, investment, industrialisation and a capable state. Only through growth can we create jobs and reduce poverty, and only through opportunity can we build a truly equitable South Africa. I thank you, hon Chairperson.

Mr B J FARMER: Chairperson, it's strange that ... [Interjections.] ...

The HOUSE CHAIRPERSON (Mr B A Radebe): Just hold it there, hon Farmer. Hon Pienaar, you spoke about poison when you were here. I think that it is unparliamentary to refer to other members as gif [Poison]. No, it is because he is following up from what you said when you were here. That is why I was looking for the Hansard so that I can be precise. But it is unparliamentary. Let us refrain from doing that, please. Over to you, hon Farmer.

Mr B J FARMER: Chairperson, it's strange that the Premier of the Western Cape, Alan Winde, is still crying about losing

Knysna, his hometown. Now, every time he refers to the current government of Knysna, the ANC, EFF, and PA, the coalition, as being corrupt.

The hon Masipa was just referring to how beautiful Saldanha is. Yet he is not mentioning the investigation that's currently ongoing in Saldanha for irregularities under the DA government. It is strange that they are very selective with the truth when they speak to the people.

The PA supports the objective of growing the economy through industrialisation, investment, attraction and economic transformation. We welcome the department's focus on manufacturing, localisation, industrial development and job creation.

However, we must move beyond economic growth on paper. The real question is whether ordinary South Africans can feel that growth in their daily lives. South Africa remains one of the most unequal societies in the world.

Many communities continue to experience unemployment, poverty and exclusion despite decades of economic policy interventions. For too long, growth has translated into enough jobs, investment has not translated into enough opportunities, and economic participation has remained concentrated in few hands.

Chairperson, the PA believes South Africa must become a nation that produces more and imports less. We cannot continue exporting raw materials and importing finished products while unemployment continues to rise. And we cannot continue exporting opportunities and importing poverty.

Local beneficiation must become a national priority. Our minerals must create factories and factories must create jobs, and those jobs must create thriving communities. That is how we build a sustainable economy.

Hon members, we welcome continued support for manufacturing industries, industrial parks and special economic zones, but we must ensure that these initiatives do not become islands of prosperity surrounded by oceans of poverty. Communities surrounding special economic zones must see the benefits.

Young people living near industrial developments must find employment. Small businesses must be integrated into supply chains. Local contractors must have opportunities to participate. And economic growth must be inclusive.

Chairperson, the department itself has acknowledged the challenges facing our economy. Government therefore has the responsibility to ensure that infrastructure supports economic growth rather than obstructing it.

Hon members, the PA is particularly concerned about township and rural economies. Too often, economic development discussions focus on large corporations while ignoring small entrepreneurs operating in our communities. The small shop owners, especially if opportunities arise from undocumented small business owners who will return home, the local manufacturers, young entrepreneurs and family businesses are enterprises who create jobs where people live.

Government support must reach them. Economic transformation must be visible on the Cape Flats, West Coast, Garden Route, Northern Cape and in rural communities throughout South Africa.

Chairperson, in closing, the PA supports this Budget Vote because South Africa urgently needs economic growth. But we also call for stronger implementation, greater accountability and measurable outcomes.

Let this budget help build an economy that works for all our people. An economy that creates opportunity, an economy that restores dignity and an economy that gives hope to every South African who is still waiting for the chance to succeed.

In Jesus' name, amen.

Ms L P MHLONGO: Hon Chairperson, Minister, Deputy Minister, fellow South Africans and hon members ...

IsiZulu:

... ngiyabingelela.

English:

This proposed Budget Vote for the Department of Trade, Industry and Competition, in 2026-27 financial year is a house built on sand. Hon Chairperson, today I rise not to celebrate the Budget Vote but to sound a clarion call of alarm to this House and our citizens.

The Department of Trade, Industry and Competition presents us with a budget that is clearly rhetorically ambitious, but when one examines the numbers and the matters being proposed, it is structurally hollow. This house built on sand and a tide of both global own economic crisis is rising.

We have fed the three Ds, decarbonisation, diversification, and digitalisation. We have been promised a new era of industrial transformation, yet when we look beyond the glossy pages of the annual performance plan, APP, we see a department in an ongoing crisis. A department whose ambition statements have far exceeded its means, whose governance is in disarray and whose policies are actively driving investments away from our shores. This is another example of managed decline.

By the way of illustration, let me indicate to you just how bad these sounding statements are. The first and most fundamental contradiction is that of toxic mix of ambition, fantasy, shrinking resources, yet expanding mandates.

Hon Chairperson, there is a fundamental principle in management. You cannot do more with less, yet that is precisely what the Department of Trade, Industry, Competition Department expects us to believe is possible.

Hon Chairperson, let's not forget at the film industry, a platform literally on fire as we speak, yet we seem to be ignoring the sector, its stakeholders and our citizens. Why is this? Hon Chairperson, this sector that perfectly illustrates the department's capacity for self-harm, the South African film and television industry.

We have a multi-billion-rand industry that serves as a global showcase for our nation that creates thousands of jobs and that has a significant multiplier effect in provinces such as the Western Cape, Gauteng and KwaZulu-Nadal, yet the department has allowed a backlog of outstanding incentive claims of a balloon of a staggering R1,2 billion.

Hon Chairperson, for two years producers have not been paid. They have been forced to rely on bank loans with crippling interest rates. We have lost production to competing destinations like Morocco, Georgia and Australia.

The department's solutions to establish a national film working group - with respect, we do not need another working group. We need R1,2 billion in ascending payments to be settled as first priority, not talks of working group. We need a tax-based incentive mechanism, which has been languishing in cabinets to be fast-tracked. We need a decisive action, not a bureaucratic procrastination.

The department is destroying a viable industry and livelihood of 10 000s of our citizens through sheer administrative paralysis, or is this another agenda at play? Hon Chairperson, perhaps the most damaging impact on this department is not what it does but what it fails to do. To provide policy certainty, all our citizens have now near the cost of policy uncertainty.

Why? The proposed amendment of the triple Broad-Based Black Economic Empowerment, B-BBEE, calls a prime example. Business Leadership South Africa has explicitly warned that the uncertainty surrounding these amendments is actively driving down investment in the manufacturing sector.

When companies do not know if their empowerment status will be revoked, when they fear losing their licenses to operate, when they do not invest, they pause, they hesitate, and the global economy hesitation is dead.

This is not an abstract. We have seen companies like Nissan close their local manufacturing operations and expand in

Egypt. We are watching the automotive sector, a key pillar of our industrial policy, suffer from policy drift.

The Automotive Production Development, APD review is due to be completed in September 2026. It has been delayed, creating uncertainty in a sector that has capital intensive planning cycle of three to five years, while the Department of Trade, Industry and Competition, waiver investors choosing Vietnam, Mexico, Egypt over South Africa.

The Minister tells us to trust the process, but hon Chairperson, when the process itself is creating uncertainty, when it's driving investment away, when we have a sovereign duty to intervene on behalf of our national interests and those of every citizen in South Africa.

Hon Chairperson, a department incapable of leading itself, cannot lead the economy. This is a stark reality that has unfolded before our eyes and that we now have to face to protect our citizens.

The National Assembly Portfolio Committee report has identified leadership vacancies at five critical entities, the National Gambling Board, NGB, National Credit Regulator, NCR, National Regulator for Compulsory Specification, NRCS, Export Credit Insurance Corporation of South Africa, ECIC, and SA Bureau of Standards, SABS.

This is not a federal issue. This is an engine room of our economic regulation. These are bodies responsible for ensuring that our products are safe, our companies are compliant, and exporters are insured.

Furthermore, seven of these Department of Trade, Industry and Competition, 18 entities are performing below the 80% benchmark. This is not a sign of challenges. It's a systemic failure of oversight and governance. The recommendation to prioritise the filling of vacancies is insufficient. We need an explanation. We need accountability.

Who is responsible for the state of affairs? Why are these positions vacant for months, even years? When is the Ministerial intervention? We cannot entrust our industrial policy to a department that cannot even staff its own regulatory body or is yet another example of managed decline.

IsiZulu:

Into yamabomu.

English:

The proposal ... [Laughter.] ... of 35% geographic targets for the province outside Gauteng and KwaZulu-Natal is a good start, but it's not enough. We need a fundamentally redesigned incentive system to make it accessible to emerging black industrialists in rural areas who lack the capital to fund expensive production brands.

Hon Chairperson, we must act because this department is selling us a vision of prosperous, industrialised, transformed South Africa. But the numbers, the governance failures, and the policy uncertainty tells us a different story.

The Department of Trade, Industry and Competition has lost its weight, burning money on outdated models while starving the transformative programmes. It is driving investments away with uncertainty while neglecting to pay the industries that are still here. This is not a time for rhetoric; it is time for action.

We call on this House to demand immediate public plan for settling the film incentive backlog, for the Minister to resolve the leadership vacancies in the five critical entities. We call for a full independent value money audit of the incentive architecture. The department's motto is improving lives through industrial development.

Hon Chairperson, with this budget, we are not improving lives. They are mismanaging the future of our nation and both keeping and putting millions of South Africans into poverty. Therefore, MK rejects.

Thank you, Chair.

Ms M KENNEDY: Hon House Chair, hon members of the NCOP, in the House and virtual platform, fellow South Africans ...

Sepedi:

Thobela.

English:

The EFF does not support this Budget Vote for the Department of Trade, Industry and Competition for 2026-27. The EFF does not support the budget of a department that is tasked with leading South Africa’s industrial policy, promoting competitive markets, expanding global trade, and ensuring economic transformation, yet is characterised by underperforming industrial zones, collapsed local enterprises, and a disconnect between national policy and provincial realities.

This department is failing to transform the material conditions of society and is overly focused on importing instead of boosting domestic manufacturing and export, so much so that this Minister seems to be disconnected from the realities of South Africa's unemployment crisis and lacks the futuristic vision needed to industrialise our economy. This annual performance plan, APP, presented before us today, therefore, faces critical gaps that risk department failures. This includes baseline allocation, spatial inequality in funding, and poor intergovernmental co-ordination.

Chairperson, under the leadership of this Minister, provinces such as the Western Cape are left vulnerable to shifting global trade dynamics. The Department of Trade, Industry, and Competition's inability to fully optimise the Atlantis Special Economic Zone, SEZ, for green technology investments combined with persistent backlogs in export development incentives has left local producers in that province frustrated by the department's slow-moving bureaucracy.

In the Eastern Cape, for an example, Coega SEZ has struggled to attract the volume of sustainable labour-intensive industries needed to offset staggering regional unemployment. And the department has failed to support and fund downstream automotive suppliers there, which has resulted in job losses and factory closures in Nelson Mandela Bay Metro. In Limpopo, the situation is not any different as the province struggles with extreme poverty and underdeveloped industrial infrastructure.

The department efforts to establish the Fetakgomo-Tubatse SEZ to promote mineral beneficiation are hampered by local governance failures, severe water and electricity shortages, and a lack of proper provincial alignment with national policy targets. The same can be said about the North West province. The department supports mechanisms in the province, such as agro-processing grants, which have frequently failed to reach emerging farmers due to bureaucratic gatekeeping, lack of collateral, and the poor quality of business plans submitted by small and medium enterprises, SMEs.

This department budget, unfortunately, is expected to decrease at an average annual rate of 0,6%, dropping from R11,7 billion to R10,9 billion due to a sharp drop in structural transformation allocations. This makes it difficult to fund targeted reindustrialisation without relying on one of interventions. And so, historical economic concentration remains a problem, as this department lacks a localised strategy for township and rural industrialists, leading to the reproduction of spatial inequality and stifling economic growth outside major metropolitan centres.

As the EFF, we are also concerned at how the APP falls short in directly addressing infrastructure bottlenecks without a capable co-ordinated state to provide water, electricity, and bulk infrastructure at municipal level. Industrial zones and local manufacturing hubs will fail to scale. With South Africa remaining a net oil importer, the budget and performance plans are heavily exposed to international supply chain disruption and geopolitical conflicts. This threatens overall industrial competitiveness and increases recessionary risk.

We reject this budget as this department lacks the robust and enforcement capacity needed to tackle the illicit economy, which costs the country an estimated R700 billion annually, severely undermining local compliant businesses. Cheap smuggling imports and counterfeit goods bypass legitimate supply chains. This forces compliant local manufacturers who face high labour and operational costs to operate below viable capacity downsize or shutdown entirely. This unfair market competition is created by uncontrolled, unregulated, illicit trader sub sectors, custom duties, and safety regulation. They flood markets with substandard goods that legitimate producers who adhere to labour safety and taxation laws simply cannot compete with concerning prices.

This inefficient Budget Vote 39 and its APP would severely stall South Africa’s re-industrialisation and worsen the country’s high unemployment rate. Bottlenecks or inefficiencies here will leave factories without adequate energy, without water or logistics, destroying efforts to reduce the cost of doing business. This discourages the development of industrial corridors that the economic recovery plan relies on.

A poorly executed transformation strategy leads to continued market concentration by large monopolies, stifling the growth of black-owned enterprises and emerging SMEs. This keeps the majority of the population economically marginalised, suppressing broader household consumption and economic growth. South Africa still faces an urgent need to re-industrialise, create jobs and improve the material condition of society.

South Africa fails to produce what it usually consumes daily, resulting in the mass importation of basic goods rather than manufacturing them domestically. The continued export of raw agricultural and mineral resources is highly disadvantageous to the South Africans as we only buy it back as high-value finished goods from other nations at premium.

The EFF therefore demands aggressive beneficiation and localisation policies as this department leadership lacks the necessary forward-thinking mentality and lacks a vision of prioritising aggressive industrialisation. We are also of the view that the Department of Trade, Industry and Competition must dismantle the highly concentrated, white dominated market structure that stifles the competition. The Department of Trade, Industry and Competition should mandate aggressive worker ownership and community trust in major industries to ensure wealth stays within South Africa instead of outsourcing industrial development to private companies.

The department must also ensure that the state takes a direct hand in funding, owning and running vital industrial hubs. It must strictly stop the export of raw, unrefined critical minerals as these are national assets that should be processed domestically to build a high-tech, secular and green economy.

A better Department of Trade, Industry and Competition should aggressively build capacity of South African industries to supply value-added goods and services to the broader African continent rather than relying on external Western markets.

As the EFF, we demand cost-enforceable mechanisms with the department to protect workers and stop the wastage of public funds on collapsed ceremonial industrial projects. This limited budget restricts South Africa’s ability to drive industrialisation and job creation whilst the reduced funding for the transformation and competition programme hampers efforts to break up monopolies. We therefore disagree with this limited budget. I thank you.

Mr T B MATIBE (Limpopo): House Chairperson, to the Chief Whip of the NCOP, the Chairperson of the Select Committee and members of the Select Committee, hon Minister and your Deputy Minister, special and permanent delegates to the NCOP, fellow MECs, good day. Limpopo's economy is showing resilience despite the battling headwinds like severe recent floods and historical infrastructure backlog. The province growth trajectory is focusing on strategic industrialisation anchored by our strong resource-based industries, agriculture and mining. These two sectors remain anchored for acceleration of

Limpopo's industrialisation future and aligned to the industrial development strategy adopted by Cabinet.

Limpopo's rich endowment of minerals, fertile agricultural land and strategic geographic position, it as a cornerstone of South Africa's economic transformation. Transitioning from raw material exports to local beneficiation is the foundation for the province's economic transformation. By processing minerals and agricultural produce locally, rather than exporting them in raw form, the province can anchor sustainable industrialisation create labour-intensive jobs, build a competitive and diversified economy.

Limpopo's critical mineral resources are vital to catalyse local industrialisation through decarbonisation and diversification. This is our pathway to participate in key value chains and contribution energy transition, and green technology.

Despite mining being the cornerstone of Limpopo's economy, our community still faces high unemployment rate due to entrenched structural, institutional, and skills-based challenges. In this regard, Limpopo Provincial Government has taken a decision to establish the mining and mineral beneficiation skills academy in Sekhukhune District. Through this mining and mineral beneficiation skills academy, the communities or local communities will benefit from mining activities through education, reducing reliance on external labour and fostering sustainable economic participation.

Special Economic Zones, SEZ, are central to Limpopo's re-industrialisation transforming the province from raw mineral exporter to a hub of value-added manufacturing and green energy and logistics.

Limpopo's industrialisation strategy is anchored by two major designated SEZ each targeting distinct regional strength and global market. Through a decisive action on acceleration of Musina Makhado Special Economic Zone, MMSEZ, development, progress has been made with construction of critical bulf infrastructure on water supply, storage and reticulation underway. More infrastructure projects will commence in this financial year.

The intention of the Department of Electricity to develop energy park at the MMSEZ as part of its renewable energy independent power producer procurement programme is a major boost towards operationalisation of the zone.

We welcome the designation of Fetakgomo-Tubatse SEZ by the Department of Trade, Industry and Competition through the gazette issued on 22 May. This is a boost towards Limpopo's industrialisation through mineral beneficiation and green economy.

There are currently 46 companies on the investment pipeline with a combined investment value of approximately R52,6 billion and these companies envisaged creating 8 000 jobs in a short-term and over 20 000 jobs in the long-term.

To date, Industrial Development Corporation, Industrial Zone Programme, IZP, unit has successfully completed due diligence on nine investment companies to accelerate Fetakgomo-Tubatse SEZ development and approach on infrastructure development model will be adopted to ensure enabling critical infrastructure is developed to pave way for factories and heavy industries to be built.

To contribute to the growth of manufacturing sector, Limpopo will continue to prioritise revitalisation of industrial park, refurbishment of Seshego and Nkowankowa.

Industrial Park in partnership with the Department of Trade, Industry and Competition, Development Bank of Southern Africa has progressed through two completed phases. We will continue to mobilise funds to expand industrial revitalisation programmes to stimulate township and rural economies to reduce unemployment, fostering inclusive development in historically marginalised areas.

To tap into automotive industry value chain, Limpopo has identified aftermarket service and parts manufacturing supported by critical minerals. End of this month, the province will host an intergovernmental engagement with stakeholders which include National Treasury, Eastern Cape Automotive Industry Development Corporation and North West Department of Economic Development.

Despite the challenging global trading and competitive investment environment, Limpopo continues to contribute to the country's investment mobilisation drive. And in 2025, Limpopo Investment Conference held in October 2025, the province has secured R170 billion in new investment commitments, bringing the total to approximately R450 billion over the past five years. The focus now is firmly on implementation and realisation of these investments.

We will continue to mobilise investments towards emerging sunrise industries identified by Limpopo Development Plan., which includes, amongst others, automotive, cannabis, renewable energy, digital economy, wildlife economy, and creative industry.

To leverage the opportunities in the digital economy, the province will, in partnering with Huawei, develop 4IR and digitalisation strategy. This collaboration will prioritise accelerating digital governance, expanding connectivity and unearthing local ICT talent.

While focusing on localisation, the province will adopt the market prioritisation and diversification strategic approach to drive industrialisation boost manufacturing and commodity exports while building regional integration across the country's priority markets.

Our key export sectors, mining, agriculture are vulnerable to global geopolitical dynamics. However, we are glad that Limpopo citrus and avocado exports are insulated from US market volatility due to our long-standing trade relation with EU markets.

We are delighted that African Growth and Opportunity Act, AGOA, has been extended and Platinum Group Metals, PGMs, metals are exempted from US duties.

As mining production hub for critical minerals, stability of commodity markets will go a long way to stabilise the sector.

In conclusion, the resilience of our economy amid geopolitical dynamics gives us hope to never despair and Limpopo remains a rising investment frontier for South Africa's industrialisation future and pathway to the regional integration. I thank you. As Limpopo, we support the budget. Thank you very much.

Tshivenda:

Ro livhuwa.

Ms S L SITHOLE: House Chairperson, to the Chairperson of the NCOP, the Deputy Chairperson, the Chief Whip of the House, hon House Chairpersons and hon members, Minister and Deputy Minister, ...

Setswana:

... baagi ba Aforikaborwa, dumelang.

English:

Hon members, nations do not succeed by accident. They succeed because they have vision. They succeed because they planned, invested in their people, and had the courage to act in difficult times. A government without vision manages decline. A government with vision creates opportunity, drives growth and builds hope. Today, we debate a budget that is not only about expenditure. It is about the vision of an inclusive and prosperous South Africa. Helen Keller once said, the only thing worse than being blind is having sight but no vision. Her words remind us that seeing is not enough. We need purpose. We need direction. We need a vision for the future.

Unfortunately, hon Minister, the EFF and the MKP do not see the bigger picture, or they choose to ignore it. But then again, I understand very well, hon Mhlongo, there’s no way that when your political home is in chaos, we can expect you to bring peace to us. But I can assure you, the ANC does see the bigger picture.

We are not focused only on today’s challenges. We are building a better future for generations to come. Our industrial policy is reversing de-industrialisation, driving structural transformation and investing in infrastructure. We are not just talking about policy; we are implementing it. We are creating jobs. We are growing the economy. We are building a more inclusive South Africa.

IsiZulu:

Asimanga, siyaqhuba.

English:

We are moving South Africa forward. Hon members, this vision is being pursued in a difficult global environment. We face a rising geopolitical tension, increasing tariffs and growing economic uncertainty. At home, we continue to confront energy constraints and unacceptably high unemployment. Yet despite these challenges, our economy has shown remarkable resilience.

It is the vision and the policy of the ANC that has helped us weather these storms and achieve important breakthrough. I listened with disbelief when some hon members of this House speak about industrialisation in the past tense. They speak as though industrialisation is behind us. It is not. We are witnessing its revival.

Hon Pienaar said that he does not want slogans. Maybe he has a selective memory because the DA granny is busy singing right, left and centre. Now my question: Who's busy with the slogans? The vision of the DTIC has translated into action through the implementation of the sector master plan. Strategic agreements in industries such as poultry and automotive have driven localisation and logged major private sector investment.

In the automotive sector alone, more than R13 billion has been invested to expand vehicle manufacturing. The clothing, textile, footwear, and leather sector continues to create opportunities. Investment in local production has increased domestic market share, protected thousands of shops and opened doors for women-owned enterprises.

More than R6,7 billion in public and private investment has been directed towards local manufacturing, import substitution and job creation. The automotive industry remains one of South African's greatest success stories. It is a major source of foreign exchange earnings, and a cornerstone of advanced manufacturing.

Through the automotive investment scheme, the government has attracted billions of rands in private investment, expanded components, manufacturing and strengthened assembly capacity. The transition to new energy vehicles presents even greater opportunity. Local manufacturing and assembly of electric vehicles will inject a new life into the sector.

In recent years, South Africa has secured more than R50 billion in automotive investment, commitment to plant upgrade, supply expansion and preparation for the next generation of vehicles. The department is also actively engaging manufacturers from China and other countries to use South Africa's manufacturing assembly hub. This will further expand the sector, deepen localisation, and create more jobs for our people. I have said it before, and I will say it again ...

IsiZulu:

... asimanga, siyaqhuba.

English:

We are not standing still. We are not turning back. We are moving forward. We are building our industry space. We are attracting investment. We are creating jobs. We are positioning South Africa as a competitive manufacturing hub. That is the vision of the ANC. That is the work of the government and that is the future we are building for all South Africans.

Hon House Chairperson, the protection of industries in distress is critical to sustaining jobs and creating conditions for future growth. Industries face many challenges from the global market, pressure to rising inputs. A responsible government cannot stand by and watch the strategic sector collapse. That is why the ANC-led government is acting. We are not merely talking about protection. We are implementing sector-specific intervention and providing targeted support to industries such as steel, sugar, and fluorochrome.

Through master plans, regulatory support, and funding from institutions such as IDC, we are helping those industries, modernise, remain competitive, and protect jobs. This is what a caring government does. It sees an opportunity where others see decline. It recognises potential even in times of distress and acts to protect this. That is the vision. That is leadership. That is the work of the ANC-led government.

Hon members, the apartheid government deliberately uses spatial planning to exclude the majority of our people from economic opportunities. Black South Africans were pushed into distant townships, far from centres of employment, investment and economic activities. The intention was very clear: to keep the majority of the margins of the economy.

The ANC said, never again. We believe that every South African deserves an opportunity to participate meaningfully in the economy. That is why the DTIC has mapped economic opportunity across dozens of townships to better understand local economies and identify their specific needs.

The department is also investing in the revitalisation of the state-owned industrial parks located in the townships. This upgrade strengthens local manufacturing, attracts investment and reduces dependence on external supply chain. Support goes beyond funding. Businesses receive assistance with development, mentorship, governance, and market access. This ensure that entrepreneurs are not only established but are also equipped to grow and succeed. Hon members, this is what vision looks like. It is about undoing the legacy of apartheid and bringing economic opportunities closer to our people.

IsiZulu:

Asimanga, siyaqhuba.

English:

We are moving forward. Hon members, the world is constantly changing. Without vision, we will be stagnant. We will be doing things in 2035 exactly as we did them in 1986. Progress demands adaptation. Adaptation demands vision and vision requires courage to act. That is why the new industrial development strategy is anchored on the three Ds of decarbonisation, diversification, and digitalisation. It's not only necessary, it's visionary.

These three strategic pillars will modernise our economy. They will drive the transition to low carbon technologies, cleaner energy systems, and climate resilient industrial processes. They will increase productivity, encourage innovation and improve co-ordination across industries. Most importantly, they will ensure that South Africa remains competitive in a rapid, changing global economy. Hon members, this is not a vision for yesterday. It is a vision for tomorrow. It is a vision that prepares our industries, our workers, and our economy for the future.

Setswana:

Batho ba Aforikaborwa, e ke ponelopele e e lo tshwanetseng ...

IsiZulu:

... asimanga, siyaqhuba.

English:

Hon Minister, the story of South Africa cannot be one of the declines. It must be a story of progress, opportunity and shared prosperity. The vision of the ANC-led government is clear. To industrialise our economy, create jobs and support local industries, empower township enterprises, and prepare our country for the industries of the future. To those who doubt, we say, look at the investment. Look at the job protected. Look at the industries being built. Look at the opportunity being created. The evidence is there for all to see.

The people of South Africa deserve a government with vision, a government that does not merely react to challenges, but actively shapes the future. A government that plans, acts and delivers. That is what the DTIC is doing. That is what the ANC-led government is doing. The choice before us is simple, a future of growth or a future of stagnation, a future of opportunity or a future of decline. The ANC chooses growth, the ANC chooses opportunity, the ANC chooses the future.

IsiZulu:

Asimanga, siyaqhuba.

English:

We are moving forward. For these reasons, the African National Congress proudly supports Budget Vote No 39. I thank you.

Mr H J VAN DEN BERG: Hon Chairperson, hon Minister, Members of the House, citizens, a year ago, a dark cloud of uncertainty and global turmoil started forming globally and over South Africa. Then the storm started. Waves of price shocks, tariffs, threats, oil price surges, fertiliser scarcity, blockades, mining disasters and closures, time and market collapse, floods, food and mouth disease, auto factory, factory closures, and more. These all had the ability to drown us. Yet, through it all, our ship, South Africa, has managed to hold together. For this resilience alone, we should give ourselves a round of applause.

In this storm, the Department of Trade, Industry and Competition, DTIC, must provide accurate navigation and firm control over the levers of the engines of industry to steer our ship in the right direction. Our parliamentary duty is to assess whether the DTIC is succeeding in guiding us along the right path. Last year, I shared a little tale of Tau the lion, ruler of the animal park, who grew misguided listening to red ants singing political songs of division. This led to policies that made the GNU and other antelope feel unwelcome, ignoring the eagle's trump call for political reform.

We have to ask, how are we doing one year later? The DTIC has informed us that they have advanced an investment pipeline, including billions in energy projects, export diversification under the butterfly strategy and African free trade agreements. There is planned support for small, medium and micro enterprises, SMMEs, and efforts to create thousands of jobs. However, there is still a clear and undeniable focus on policies to benefit only black people like black empowerment and black transformation, to mention a few. These discriminatory policies are regarded as outdated in the modern international global storm, and we have to ask, what about the other people in South Africa?

Unemployment stays above 30%, the gross domestic product, GDP, growth, is still low, and will probably stay this way until the blessings of equal opportunities can be achieved. The FF Plus demands a budget that roars with ambition and opportunity for all. Hon Sithole, while on this topic of prosperity for some, we would like to raise our concerns regarding recent developments in the African free trade space. The DTIC is now, through share changes that control the African Export-Import Bank, Afreximbank, able to influence both insurance of international infrastructure projects through the Export Credit Insurance Corporation, ECIC, and raise capital through the Afreximbank.

Thus, to both finance and make projects, risk-free for yellow fleet owners involved in infrastructure projects in Africa, through memorandums of understanding by the DTIC on behalf of South Africa with, for instance, Mozambique. Risk-free, financed, and plenty of work, is that not a sweet deal? But who pays if things go wrong? It is the people of South Africa. Some of these yellow fleet operators are well-known political party contributors, tenderpreneurs, involved in many sectors of the economy. Is this not black elite empowerment, BEE? Parliament must steer our ship into politically unburdened waters, and this looks a bit muddy.

Let the DTIC become the lion that unites the park by ending BEE in exchange for genuine broad-based benefit and welcome investment with an emphasis on trustworthy and beneficially driven international trade, rather than extractive mining operations that bring short-term gains. Will Tau fully heed the eagle and use the budget to make the grass green again? Only time will tell. Let us build our beautiful South Africa together. Thank you.

Ms J SIDELL (Mpumalanga): Hon Chairperson, hon Minister and Deputy Ministers of Trade, Industry and Competition, hon Members of this august House, distinguished guests, good evening. I stand before this House representing the beautiful province of Mpumalanga, the Place of the Rising Sun, to declare our province’s wholesale support for Budget Vote 39 for the Department of Trade, Industry and Competition. As the National Council of Provinces, our singular mandate is to ensure that national policy seamlessly translates into localised economic progress.

National growth is not an abstract concept; it is the aggregate of thriving provincial economies. When we deliberate on this budget, we are voting for the revival of factories and the expansion of agricultural fields, and the industrial longevity of Mpumalanga province. Our participation in this policy debate is guided by a fundamental constitutional reality. The economic growth of the country is entirely dependent on the structural health, industrial capacity, and localised support given to our nine individual provinces.

We cannot talk about national economic industrialisation, if we do not intentionally build the productive capacities of the regions, the townships, and our vast rural economies. Our approach to this budget is grounded by the newly adopted national Industrial Development Strategy, IDS. This strategy correctly identifies that South Africa cannot compete in the economy of the future using the legacy structures of the past. It outlines three distinct structural pathways; decarbonisation, diversification, and digitalisation.

For Mpumalanga, these are not buzzwords; they represent survival and growth imperative. As the energy heartland of South Africa, our traditional resilience on coal mining and heavy fossil-fuel manufacturing, places us at the epicenter of the Just Energy Transition, JET. However, as we navigate global shifts and economic reforms in 2026, our industrial strategy must evolve. We are utilising this budget framework to transition without collapsing. We are asking the department of Trade, Industry and Competition, through its development finance arms, like the Industrial Development Corporation, IDC, to aggressively deploy concessional infrastructure finance.

We want to convert our transition constraints into industrial opportunities, by manufacturing green energy components, building localised battery storage infrastructure, and establishing wind and solar component assembly lines directly inside our province. Our goal is clear; we must move Mpumalanga up the value chain from a primary extractor of minerals to a sophisticated hub of advanced manufacturing. Our Special Economic Zones, SEZ, are the crown jewels of our regional investment strategy.

The Nkomazi SEZ, strategically positioned along the Maputo Development Corridor, is poised to become a world-class logistics and agro-processing powerhouse linking South Africa to Mozambique and global markets. However, I must indicate that the red tape has historically delayed private sector appetite. We therefore highly welcome the department’s commitment to the Business Omnibus Bill and the rollout of the Fusion Centers, by bringing national, provincial, and local authorities under one roof.

We are targeting a strict 90-day turnaround time for critical industrial investment approvals. Furthermore, we are prioritising the revitalisation of state-owned industrial parks, such as those in Ekandustria and Kabokweni. These small parks are critical ecosystems for our local, medium, small and micro enterprises, MSMEs. They require the digital infrastructure, reliable power allocations, and security upgrades that this Budget Vote promises to deliver.

In Mpumalanga, we expect this fund to aggressively scale up our Black Industrialists Programme. We want to move beyond tokenistic, small-scale procurement. We want to seek black-owned firms in Mpumalanga manufacturing mining equipment, processing forestry materials, and dominating regional logistics supply chains. We are ready to match national efforts by utilising the Mpumalanga Economic Growth Agency, MEGA, to co-invest alongside the Department of Trade, Industry and Competition.

But transformation cannot just be a numbers game on a national spreadsheet; it must be felt on the ground in the local municipalities like Emalahleni, Govan Mbeki, and Bushbuckridge. We want to see localized supply chains, where big corporate players in mining and forestry are mandated to source from local, black-owned, women-owned, and youth-owned businesses. Our provincial Department of Economic Development and Tourism is ready to co-invest and align our regional incentives with those of national development framework to derive these emerging businesses.

Mpumalanga's agricultural sector is a massive engine of employment, from our world re-owned citrus farms to our macadamia nut plantations, our products deserve global tables. As of May 2026, South Africa began actively trading under the China-Africa Economic Partnership for Shared Development, CAEDPA, framework, granting us duty free access to a market of 1,4 billion consumers. Our strategic goal in Mpumalana is to change the baseline of our trade. We will no longer simply export raw agricultural yield and unrefined minerals.

We are using the Department of Trade, Industry and Competition's export promotion incentives to process, package and the beneficiary our goods locally, before they leave borders. Simultaneously we are positioning our local manufacturers to benefit from the African Continental Free Trade Area, AfCFTA, leveraging the Export Credit Insurance Corporation, ECIC, partnership, with our major commercial banks, to lower trade risk from Mpumalanga-based exporters entering the Southern African Development Community, SADC, as well as Eastern African Market.

Mpumalanga is open for business. We have the land, strategic corridors, the resources, and above all, we have an energetic, capable workforce ready to build. By passing this budget, we give the Department of Trade, Industry and Competition the tools to stabilise the steel and metal fabrication sectors, so that it breathes life back into our ferrochrome plants and provide our youth with actual sustainable industrial jobs. Through special economic equity, targeted industrial financing and robust intergovernmental cooperation, we can change the live economic realities of the people of the province.

So, as the Mpumalanga Province, we support the Budget Vote 39. Thank you very much.

Ms N S DU PLESSIS: House Chair, Minister, Deputy Minister, members, and fellow South Africans, the words of economist Russ Roberts, "love locally, trade globally," are useful. In the context of the Department of Trade, Industry and Competition, it means building productive capacity at home, whilst expanding South Africa's ability to compete in regional, continental, and global markets.

In early 2026, South Africa maintained an improved and healthy trade surplus, supported in part by trade with Botswana, Eswatini, Lesotho, and Namibia. This is welcome, but a trade surplus is not enough if we continue exporting raw potential while importing finished value. To love locally and trade globally, South Africa must process more of what we grow. This is why functional industrial parks and Special Economic Zones, SEZs, are central to the conversation. They are places where the primary and secondary sectors meet and grow local economies of excellence. It is here that minerals can be beneficiated, agriculture produce can be processed, components can be manufactured, logistics can be organised, and small businesses can access larger value chains. Special economic zones are intended to support industrialisation, create regional development, investment, exports, job creation, and skills development.

However, the issue is not whether the policy is sound. The issue is whether these zones and parks function in practice — not one or two but all. Musina-Makhado SEZ, originated in 2016, has not done this. It makes sense then why it is a priority in the revitalisation project, as it has no real positive impact or benefit in the community, even though millions of rand has been spent on it. I do hope that the progress will be real.

In the primary sector, fundamental to economic growth and job creation, South Africa has real advantages in agriculture, mining, fisheries, forestry, and energy, but too many communities still experience extraction and exploitation without local industrial deepening. No wonder the private sector shrank in the previous quarter, and so did the secondary sector.

Industrial parks have the potential to grow the primary sector. An industrial park near a farming region would create an enabling environment through cold storage, packaging, food processing, maintenance services, and market access. A zone linked to mining will mean fabrication, beneficiation, equipment repair, renewable energy inputs, and supplier development, creating an economic hub that grows local economies. However, the Ekandustria Industrial Park that used to create thousands of jobs now barely creates hundreds.

In the secondary sector, industrial parks and SEZs must become production ecosystems. Manufacturing grows when we have reliable electricity, water, roads, broadband, security, customs efficiency, serviced sites, and capable management. An example of when this does not happen is the Ennerdale Industrial Park that was built close to a train station to ensure accessibility. However, through dilapidation and vandalism and pure neglect, the station was rendered unusable, cutting accessible transport to what was meant to be an economic hub in a community that needed it most. We welcome the intention to revitalise industrial parks and improve operational readiness in SEZs. However, we must be honest about the barriers: infrastructure mismanagement, vandalism, poor municipal bulk services, and, in many cases, hijacking of buildings. None of this shows what it’s like to love locally or to allow trade globally.

The Medium-Term Expenditure Framework period must focus on measurable deliveries. Each industrial park and SEZ should have a maintenance plan, accountable management, a pipeline of bankable investors, a supplier development strategy, and a clear link to economic strengths of the region, as not all regions are the same. If we get this right, farmers become suppliers to agro-processors, miners contribute to manufacturing chains, young artisans maintain machinery and install energy systems, and small businesses move into procurement networks. Then communities will see factories where there are only broken buildings now.

This is further how South Africa can use regional and continental trade more strategically. Functional SEZs and industrial parks support the production of processed foods, machinery, automotive components, pharmaceuticals, construction materials, clothing, and the green economy, just to name a few products for the global trade. Yes, these spaces also need to be inclusive. The department will need to show how co-operatives and small manufacturers will access sites, incentives, training, finance, networking, and procurement opportunities.

Transformation is strongest when it is attached to production, ownership, and skills. For additional oversight and accountability, the department will need to report regularly to Parliament on every industrial park and SEZ regarding active tenants, jobs sustained and created, private investment attracted, infrastructure and bulk services failures resolved, local suppliers supported, and exports generated, just to name a few.

Industrial parks and SEZs can create a strong primary and secondary sector in South Africa, as they bring resources to a factory that is creating jobs for low- and semi-skilled workers who can access the global market with the necessary support and training. By undoing the dilapidation that has taken place over the past 20 to 30 years and revitalising these community-based economic hubs, the department will show what it is to love locally and to trade globally. I thank you.

The DEPUTY MINISTER OF TRADE, INDUSTRY AND COMPETITION (Ms L A A Abrahams): House Chairperson, Minister Parks Tau, hon members, fellow South Africans. Today our nation faces a difficult economic crisis, and we stand at a critical crossroads. In 2025, our economy grew by only 1,1% and the first quarterly labour force survey for 2026 from Statistics, Stats SA revealed a staggering 51% of young South Africans were neither working nor able to find work. And behind every unemployment statistic is a real household under severe pressure, a business unable to expand, and a young person losing confidence that their country has a place for them.

This is the tragic reality of millions of South Africans. Last month, during the NCOP’s taking Parliament to the people’s public hearings, we all heard the heartfelt lament of a resident from Matlosana, North West Province. That in 1994 he was 18 years old with high hopes and dreams of our democracy. Today he is 50 years old, and he has never held formal employment in his entire life.

In fact, there are millions of born frees who have never worked a single day in the formal economy. And if we do not act drastically now, children born today 2026 will suffer the exact same fate. They will live and die without ever knowing the dignity of having their own livelihood.

The central question before this house is simple. How do we promote faster growth, attract higher investment, and support the creation of sustainable jobs? This is the core purpose at the heart of our mission and mandate at the DTIC. It is the "why" of our work every day.

Unfortunately, successive administrations in the past have believed that the path to success lies in more state control over the economy. These administrations believed that we could regulate our way to prosperity.

We must reject this demonstratively failed approach. Instead, under the Government of National Unity, we must work to advance a bold alternative policy platform towards joint government and policy implementation partnership.

South Africa cannot regulate its way to wealth. Instead, we must educate and train our way there. We must industrialise and trade our way there.

And something else we don't give sufficient attention to, and in fact, written in the name of this very department, competition. We must focus on how we leverage our immense resources and ensure that South Africa becomes a more competitive player, both domestically and on international markets.

And while there are many bold reforms that government will need to apply to succeed in this, allow me to use my time to focus on three reform pillars to turbocharge the South African economy.

Number one, dismantling red tape and building a capable state. Hon members, the kind of investment that will catalyse economic growth is produced by confidence and certainty. It requires competitive, open markets and functioning infrastructure. It needs a capable state that reduces barriers to growth. Government institutions must make it easier for businesses to invest, manufacture, export, and employ.

Currently, South Africa faces massive structural constraints. These include excessive red tape, infrastructure bottleneck, and deep regulatory inefficiencies. To fix this, we must prioritise and accelerate our efforts to streamline commercial legislation through the Department of Trade, Industry and Competition, DTIC’s Business Omnibus Bill in order to fundamentally improve the ease of doing business across all sectors.

This reform-orientated framework will serve as the foundation for a more dynamic economy that is geared for a new direction. On this foundation, we must continue to build key mechanisms for fast-tracking investment in the form of a well-capacitated and fully operational fusion centre, where investment-related regulatory bottlenecks are addressed through referrals and follow-ups.

We must make every effort to ensure that this high-speed approval lane is successful and meets the 90-day turnaround timeframe for major projects that can boost local employment and industrial development, thus cementing the State’s role as an enabler of enterprise.

With the foundational framework clarified in the Business Omnibus Bill as what to do, and the enabling mechanism of the fusion centre is fully established as a how to do it. We will then need to sharpen our industrial strategy to determine where to do it, and the special economic zones provide the answer for that.

Turbocharging SEZs as reform pillar two. In theory, SEZs are supposed to drive investment attraction and promote manufacturing development. They should unlock sustainable job creation for surrounding communities, and at least on paper have real good reasons to be optimistic about their potential. For an SEZ to be truly successful, it needs to be genuinely special and seamless. It must offer investors different rules from the rest of the economy, and crucially, it must offer better operating conditions. It must signal to international investors, come, set up your manufacturing plants here in South Africa instead of another country.

There has been some notable progress across some of the SEZs, and the new Traffic Analysis Zones, TAZs model is a positive start in respect to greater private sector participation in terms of capital investment and risk sharing.

But we must ask, is it enough? The reality is South Africa competes against countries such as Vietnam, Bangladesh, Cambodia, and the Philippines, where labour costs are significantly lower. This is one of the reasons we struggle to compete in labour-intensive manufacturing activities, such as clothing, toys, and electronic assembly.

The 2026 World Bank Review of South Africa's SCZ programme raises important recommendations as well as critical concerns. It found that skills development and Small and Medium-sized Enterprise, SME, integration remains weak, with limited training outcomes and limited support reaching small businesses.

This suggests that Special Economic Zones, SCZs, are not yet generating the broader economic spillovers that it was originally envisioned. The review was particularly critical of the programme’s performance on skills development and SME support. It found that only 1,93 individuals were trained for every R1 million spent, while only 0,18 SMEs receive support for every R1 million spent.

We must leverage our SEZs as start-up sandboxes to showcase radical red tape reduction. And these could range from a wide range of interventions, such as reliable and competitive energy prices, labour and employment flexibility, expanded employment tax incentives and wage subsidy programmes, fast-tracked port, airport, and logistic access, streamlined visa processes for investors and skilled personnel, duty-free imports rather than lengthy rebate processes, quicker and simpler processing through the Equity Equivalent Investment Programme or exemption from Broad-Based Black Economic Empowerment, BBBE, compliance.

Ultimately, SEZs should not compete with the domestic economy. Their primary purpose should be to attract export-orientated, labour-intensive investment that should otherwise not locate elsewhere. A key constraint affecting SEZs is that we are not yet competitive enough.

We owe it to the 12 million unemployed South Africans, of whom the majority are black South Africans, to at least try alternative reform and empowerment policies within SEZs to test them out and see the results. We are sitting on an unemployment tinderbox. We are witnessing it in real time in every march and protest. We have nothing to lose and everything to gain.

Turning for a moment to some of DTIC's institutional architecture. An underrated point in our economic discourse is the role of technical infrastructure entities as Reform Pillar 3. The four entities that function as the corner legs of this architecture are SA Bureau of Standards, SABS, the National Regulator for Compulsory Specifications, NRCS, SA Accreditation System, SANAS, and National Metrology Institute of South Africa, NMISA. The quiet work that they do concerning standards, accreditation and meteorology and product regulation are not merely bureaucratic side issues. They are vital economic infrastructure. South African products must meet strict international standards to compete globally.

Our factories cannot export if goods are not certified quickly and affordably. If our regulatory environment becomes inconsistent, inefficient or too costly, investment moves elsewhere.

Therefore, this budget debate is a timely occasion to be reminded that the financial allocation to these entities must translate into measurable improvements.

We must demand better turnaround times, stronger governance, and expanded certification capacity. We must also ensure that our testing facilities are modernised in real time so that businesses do not have to send their products overseas at great cost because we don't have the testing capacity. It is through modernization, innovation, and partnership that these entities must actively support our exporters and manufacturers on the ground.

A capable regulatory environment must do more than just certify goods. It must play a critical role in combating the unfortunately thriving illicit market, with counterfeit and illegal goods, flood our shops and streets and informal sector daily. The illicit trade costs our economy billions in rands annually, which is stolen revenue that must be supporting local businesses, jobs, and services.

Businesses that follow the law should never be forced to compete against businesses that ignore the law. It is a fundamental issue of fairness and the rule of law. Government has a responsibility to ensure that legitimate businesses operating responsibly are protected from unfair and unlawful competition. That is why government must continue to partner with the private sector, civil society, and law enforcement agencies to protect local production, clean up local supply chains, and aggressively clamp down on non-compliance through strengthened enforcement action.

As a country where the creepy crawly pool cleaner was invented and the medical CAT scan was conceptualised and developed, there is no doubt that technical accuracy and high standards in an environment that allows legitimate businesses and innovation to thrive can be part of our toolbox to build South Africa's global competitive.

The HOUSE CHAIRPERSON (Mr D R Ryder): Thank you, Minister, Can I ask you to pause there and take a seat, please? Hon Modise?

Mr M G MODISE: House Chair, will the Deputy Minister, DM, take a question?

The HOUSE CHAIRPERSON (Mr D R Ryder): DM, will you take a question?

The DEPUTY MINISTER OF TRADE, INDUSTRY AND COMPETITION (Ms L A A Abrahams): I don't take a question.

The HOUSE CHAIRPERSON (Mr D R Ryder): I don't believe so. Thank hon Modise, she said, no.

The DEPUTY MINISTER OF TRADE, INDUSTRY AND COMPETITION (Ms L A A Abrahams): In conclusion, the choice before us is clear. We can choose to stay on our current path of low growth and rising unemployment, or we can continue to believe that more state regulation will somehow solve a crisis caused by the state itself, or we can choose a bold new economic direction. We can replace state control with economic freedom. We can replace elite enrichment with broad-based economic inclusion, and we can fix and boost our technical infrastructure, turbocharge our SEZs, and/ red tape that strangles growth. We can build an economy where that 50-year-old man in Matlosana can find work, and we can build a nation where the child born today in 2026 is guaranteed a future of opportunity, prosperity, and dignity.

South Africans want jobs, they want investment, they want an economy that will give all citizens without elite connections a fair chance to build a better life. Let us therefore abandon the business-as-usual approach and embrace the bold reforms demanded of us to build a working and prosperous South Africa for all.

I wish to thank the Minister, the director general, DG, the DTIC officials, as well as all the officials from the entities for their ongoing dedication and contribution to building a more capable and responsive state.

And let us all continue to approach our work with urgency, not because it's a commitment made by political principles of politicians, but because it can make a real difference and bring the dignity of a job to millions of our people.

I thank you.

The HOUSE CHAIRPERSON (Mr D R Ryder): Thank you very much, Deputy Minister. And delegates, as usual, let's welcome our visitors in the gallery, including the former member of the National Assembly, Mr Zak Mbhele, Welcome. It's good to see you here.

Cllr G MARAKALALA (Salga): Hon Chairperson and Deputy Chairperson of the NCOP, hon Minister and Deputy Minister of Trade, Industry and Competition, hon Chief Whip of the NCOP, hon MECs and hon members, the SA Local Government Association, Salga, welcomes the Budget Vote and recognises the central role of the Department of Trade, Industry and Competition, DTIC, in advancing industrialisation, economic transformation and investment-led growth.

The Minister’s articulation of transformation as a moral, constitutional and economic imperative resonates strongly with local government, which remains the primary interface between the state and the economy at community level. At a time of heightened global uncertainty marked by geopolitical tensions and supply chain disruption, Salga notes the resilience reflected in the DTIC’s policy stance.

The adoption of the Industrial Development Strategy, with its emphasis on decarbonisation, diversification and digitalisation provides a coherent framework for repositioning South Africa’s economy. However, for this strategy to fully realise its intent, it must be anchored in spatially inclusive implementation that recognises municipalities as critical nodes of economic activity, production systems and value chains.

Salga affirms that local government is not merely a delivery arm of national policy, but a strategic partner in shaping investment outcomes. Municipalities are custodians of key economic enablers, including land use management, infrastructure provision, local regulation and the facilitation of business environments. As such, the success of initiatives such as localisation, Special Economic Zones, SEZ, expansion and investment mobilisation is intrinsically dependent on municipal capability, co-ordination and alignment.

In particular, Salga welcomes the continued emphasis on localisation with procurement strategies reaching R100 billion. This initiative has direct implications for local economies, especially in strengthening micro, small, and medium enterprises, MSMEs, and industrial participation at the municipal level. We, however, emphasise the importance of deliberately integrating municipalities into localisation frameworks to ensure that local procurement translates into tangible enterprise development, job creation and spatial transformation across districts and secondary cities.

Salga also acknowledges the progress made in investment mobilisation with significant commitments secured through the South African Investment Conference. While these investments are encouraging, their ultimate impact will depend on effective translation into bankable projects within municipal spaces. This highlights the need for stronger alignment between the DTIC investment pipelines and municipal project preparation, infrastructure planning and regulatory processes.

Hon Chair, Salga wishes to underscore the importance of continental integration as a key frontier for economic growth. In this regard, we commend government’s strategic decision to accede to the African Export-Import Bank, Afreximbank, as a sovereign member. This development presents a critical opportunity to unlock alternative sources of development finance and trade facilitation instruments for municipalities. Salga has, over several years, cultivated a strategic working relationship with Afreximbank, primarily anchored on knowledge sharing, trade facilitation and municipal capacity building.

Through this partnership, Salga has convened a series of Local Government African Continental Free Trade Area, AfCFTA, Dialogues, beginning with the inaugural dialogue held in 2022, which brought together key stakeholders to position municipalities at the centre of AfCFTA implementation. These dialogues have served as an important platform to deepen understanding of trade opportunities, infrastructure financing mechanisms and the role of local government in advancing intra-African trade.

The Minister’s participation in the inaugural dialogue underscores the importance of multi-sphere collaboration in driving the AfCFTA agenda. Salga views this collaboration as a foundation for a more structured partnership aimed at translating dialogue into measurable municipal investment and trade outcomes.

Beyond dialogues, Salga is an active participant in the African Sub-Sovereign Governments Network, AfSNET, a platform facilitated by Afreximbank to bring together cities and regions across the continent to advance sub-sovereign financing and investment co-operation. Salga regularly participates in AfSNET engagements at the Intra-Africa Trade Fair, with the most recent conference held in Algiers, Algeria in 2025. These engagements provide municipalities with access to investment networks, project preparation support and innovative financial instruments tailored to sub-national governments.

Salga believes that South Africa’s membership in Afreximbank will significantly strengthen its partnership, enabling municipalities to leverage AfSNET platforms to unlock infrastructure investment, catalyse trade and position local economies within continental value chains. This represents a critical opportunity to bridge the gap between national trade policy and local economic development outcomes.

Hon Chair, Salga further notes the continued prioritisation of SEZ as instruments for spatial transformation. While progress has been made, there remains a need to ensure stronger integration between SEZs and surrounding municipal economies, particularly in ensuring that local enterprises participate meaningfully in SEZ value chains.

Equally, the fight against illicit trade, as highlighted by the Minister, is of direct importance to municipalities. Illicit economic activity undermines local economies, erodes municipal revenue bases and compromises legitimate businesses. Salga supports enhanced enforcement mechanisms and calls for collaboration with local government to strengthen by-law enforcement and compliance at the point of economic activity.

On development finance, Salga welcomes the efforts to reposition development finance institutions to support industrialisation. However, municipalities continue to face significant challenges in accessing project preparation funding and blended finance. There is a need for a dedicated pipeline linking municipal infrastructure and economic development projects to instruments such as those offered by the Industrial Development Corporation, IDC, National Empowerment Fund, NEF, and increasingly, Afreximbank.

In conclusion, Salga supports the department's Budget Vote and its focus on enhancing the country's industrial competitiveness, which at the same time is accelerating historical redress. However, we emphasise that the realisation of South Africa's industrialisation, investment and trade ambitions will depend on the effective localisation of these strategies within municipal spaces. Local government must be fully integrated as a partner in policy design, implementation and financing.

Salga remains committed to working with the DTIC, its entities and strategic partners such as Afreximbank to build capable, investment-ready municipalities that can drive inclusive economic growth, deepen intra-African trade and unlock the full potential of the AfCFTA. Thank you very much, hon Chairperson.

Mr J H P BRITZ: Hon House Chair, hon Minister, Deputy Minister, hon members and fellow South Africans, listening to this debate, one would think that the ANC has discovered economic growth, investment and job creation as if for the first time. Minister, you are asking Parliament to applaud your department's plan to remove the very obstacles it spent years creating. Contradictions destroy credibility.

Hon Farmer, after the poisoned chalice the PA left in Beaufort West and poisoned the marine life in the Knysna Estuary with sewage, the PA has as little credibility as your coalition partner of doom in that municipality, the ANC. Let me give you three examples of obvious contradictions in this department's approach over the past decades.

Firstly, the red tape contradiction. For nearly three decades, South Africans were told that more regulation would deliver transformation, more compliance would deliver empowerment, and more bureaucracy would deliver growth. But the department's own annual performance plan, APP, makes a remarkable admission. Red tape, excessive regulation, compliance burdens and barriers to entry are constraining investment, growth and job creation, and openly identifies these as major constraints.

The department itself now acknowledges that growth requires less red tape, fewer barriers and a more competitive business environment. This is a major contradiction the same department is admitting to. Now, who created these barriers in the first instance? The ANC.

Secondly, the Transformation Fund contradiction. This is the greatest contradiction in the ANC's approach to empowerment. For more than 20 years, government defended every aspect of the black economic empowerment, BEE, framework as if it were beyond criticism. Anyone who questions the effectiveness of BEE ...

The HOUSE CHAIRPERSON (Mr D R Ryder): Yes, hon Badenhorst?

Why don't you take your seat, hon Britz; I see you already have. Thank you. Hon Badenhorst?

Mr F J BADENHORST: Yes, I'll do Rule 47, Chair. I'm so sorry, hon Britz, but if we can just get Rule 47. Hon Nonkonyana and hon Fienies are talking so loudly, they're waking up hon Modise in front here. [Laughter.]

The HOUSE CHAIRPERSON (Mr D R Ryder): Hon delegates, please, if you can, keep your chit-chat to acceptable levels and do not disturb the speaker at the podium. Hon Britz, please continue with your speech.

Mr J H P BRITZ: Anyone who questions the effectiveness of BEE is accused of opposing transformation itself, which is a lazy and disingenuous accusation. The ANC spent 20 years telling South Africans that BEE is working. Now it is redesigning the very system it spent years defending. That is not evidence of success. It is an admission that the current approach has failed to produce the transformation, growth and inclusions that South Africans were promised and now needs to be replaced with something else.

Today, this department is reviewing, refining and redesigning the framework through a proposed R100 billion Transformation Fund. This fund effectively acknowledges that the current BEE empowerment model has not delivered on the ANC's empty promises made over many years. The ANC's answer to the failure of one empowerment scheme is to replace it with another empowerment scheme, and that is a contradiction.

Thirdly, the promised jobs contradiction. Minister, you made more job promises here today, but can we believe you? In the 2019 election campaign, the ANC promised to create 275 000 additional jobs per year for five years, which would amount to about 1,375 million jobs by 2024. In his June 2019 State of the Nation Address, President Ramaphosa set a 10-year target to employ 2 million young people. Was that delivered on?

Employment increased from about 16,4 million in 2019 to just over 16,7 million in late 2023, a gain of only 300 000 jobs, not 1,375 million. Now, South Africans were fed another empty promise. By who? Pansy. While the Minister continues to launch new funds, programmes and interventions, unemployment remains among the highest in the world. Inequality has increased under the ANC's rule. South Africans don't believe these promises anymore.

The reality is that governments do not create jobs. Businesses, entrepreneurs and investors create jobs. Government's responsibility is to create the conditions to allow them to succeed. This department has not yet stepped up to that responsibility. The department's own APP now correctly identifies many of the obstacles standing in the way of growth. Those obstacles for job creation were designed and unashamedly brought to you by the ANC, hon Dhlamini.

Chairperson, if we want evidence of what works, we don't have to look very far. For every ten people who got a job over the last five years in the country, nine of them live in the Western Cape, not because the Western Cape enjoys special treatment, but the difference is that there is an effective DA government in the Western Cape, something the hon Peters from the Eastern Cape can only dream about. South Africa needs growth, investment and above all, jobs. Minister, South Africans are getting impatient, restless and ...

Afrikaans:

... gatvol.

English:

The DA supports genuine economic transformation, not more contradictions, redistribution of stagnation, redistribution of poverty or redistribution of unemployment. But sadly, that is what South Africans got from the ANC. Minister, we will be watching you. Thank you.

The CHIEF WHIP OF THE COUNCIL: House Chair ... House Chair ... House Chairperson ... House Chair ... House Chair, this side ...

The HOUSE CHAIRPERSON (Mr D R Ryder): I beg your pardon, hon Mabilo. Won't you take your seat? Yes, Chief Whip?

The CHIEF WHIP OF THE COUNCIL: House Chair, the point of order relates the use of language that is unbecoming, and you allowed the hon Britz to say he is "gatvol" [fed up]. Is that parliamentary?

The HOUSE CHAIRPERSON (Mr D R Ryder): Hon Chief Whip, it is my recollection that that word has been found to not be unparliamentary in the other House, but I am speaking from memory, and I am not clear. I think I am going to then ask the Table to assist us, and perhaps we can consult the Hansard. I am not going to make a ruling on whether it is unparliamentary or not. I believe there was a previous ruling, and it will be important for us to check up on that. Thank you, Chief Whip. Hon Mabilo, will you take your seat again, please? Hon Badenhorst, on what are you rising?

Mr F J BADENHORST: I rise on Rule 35, at the back of the Rule book, on unparliamentary expressions.

The HOUSE CHAIRPERSON (Mr D R Ryder): Yes, please continue.

Mr F J BADENHORST: Thank you very much, Chair. I have consulted the back of the book, pages 300 to 303, and, because I went to a school in the Western Cape that taught me to read for meaning, I cannot see the word "gatvol" in any of those expressions, so I do not think it is unparliamentary.

The HOUSE CHAIRPERSON (Mr D R Ryder): Indeed. Thank you very much, hon Badenhorst. I have ruled that we will consult further on this. That list is not exhaustive, and I do not think that it is only the words included there that should be considered unparliamentary. However, we do need to consult further and find out because I believe there has been a previous ruling on this particular word. Hon Nonkonyana?

Adv Inkosi M NONKONYANA: Chair, I rise in terms of Rule 69(12). You made a ruling that we will consult the Hansard. It is out of order for the hon member to insist on a matter on which we have ruled, so the hon Badenhorst was out of order, with respect. Thank you, Chair.

The HOUSE CHAIRPERSON (Mr D R Ryder): Thank you, hon Nonkonyana. I think it would be constructive if we continue with the debate. Hon Mabilo, you have 13 full minutes, and you may start.

Mr F J BADENHORST: Point of order, Chair ...

The HOUSE CHAIRPERSON (Mr D R Ryder): Hon Badenhorst?

Mr F J BADENHORST: I rise on Rule 69(5), Chair.

The HOUSE CHAIRPERSON (Mr D R Ryder): Indeed, I am familiar with it, yes.

Mr F J BADENHORST: Chair, I just want to say that, and I want to educate Mr Nonkonyana there, it states, "The presiding officer may, at his or her discretion, allow delegates to address the presiding officer briefly on a point of order that has been raised." Thank you, Chair.

The HOUSE CHAIRPERSON (Mr D R Ryder): Thank you. Thank you very much, hon Badenhorst. Yes, indeed, you are correct. However, I had already made my ruling, so both you and the hon Nonkonyana are correct. I do not think we need any further assistance on this. We will go and check the records and see what we can find with regard to the word "gatvol". Before I pass to any other members in this sitting, let us proceed with the debate. Hon Mabilo, please take the podium.

Mr S P MABILO: House Chair, hon Minister, hon Deputy Minister, hon members ...

Setswana:

... ko gae ke le dumedisa lotlhe, dumelang.

English:

The ANC rises in full support of Budget Vote 30: Trade, Industry and Competition. The Budget Vote comes at a time when South Africa and the world are navigating economic uncertainty, geopolitical tensions, supply chain disruptions, and rising protectionism. Yet, despite these challenges, our country continues to make progress in rebuilding industrial capacity, expanding exports, and positioning itself as a competitive manufacturing economy.

House Chairperson, I wish to focus on three key issues in this debate: firstly, the expansion of trade and export; secondly, financing local industrialisation and manufacturing; and, thirdly, responding to the opposition’s narrative that government intervention and transformation policies have failed.

The Department of Trade, Industry and Competition remains one of the key instruments through which the ANC-led Government of National Unity seeks to reverse the legacy of apartheid, namely poverty, inequality, unemployment, and economic exclusion. These structural challenges were not created by the market, and they will not be resolved by the market alone. The ANC understands that economic transformation requires an active developmental state, strategic investment, industrial policy, localisation programmes, and targeted support for emerging industries, and this is precisely what this budget seeks to achieve.

The department has a total allocation of R11,7 billion for the 2026–2027 financial year. What is significant is that nearly 47% of this budget, amounting to a total of R5,4 billion, has been directed towards industrial incentives and support for firms that are in distress. This demonstrates that government is not standing idly by whilst industries are facing challenges. Government is actively intervening to preserve jobs, stimulate investment, and support industrial growth. This support extends to strategic sectors such as sugar, steel, ferrochrome, manufacturing, and automotive production. These interventions are not expenses; they are investments in jobs, industrial capacity, and future economic growth.

The opposition argues that industrial policy is not working. The facts tell us a different story. Through sector master plans, government has secured significant investment in strategic sectors, including poultry, automotive manufacturing, clothing, and textiles. In the clothing, textile, footwear, and leather sectors alone, investments exceeding R6,7 billion have been mobilised to support local manufacturing, import substitution, and job creation.

In the automotive sector, South Africa has attracted more than R50 billion in investment commitments in recent years. The Automotive Investment Scheme continues to support localisation, component manufacturing, and the transition towards electric vehicles and electric vehicle production. Government is actively engaging manufacturers from China and other countries to utilise South Africa as a manufacturing and assembly hub for the African continent. These are not signs of deindustrialisation. These are signs of industrial renewal.

The future of industrialisation depends on our ability to finance productive economic activity. The government and the department continue to work closely with institutions such as the Industrial Development Corporation and other development finance institutions to provide affordable financing to businesses, industrialists, and entrepreneurs. The Black Industrialists Scheme continues to support emerging manufacturers and entrepreneurs who have historically been excluded from meaningful participation in the economy, as illustrated by the Minister in terms of the Free State. The ANC remains clear on this matter. Transformation is not optional. Transformation is an economic necessity. An economy that excludes the majority of its people cannot achieve sustainable growth.

The opposition continues to attack broad-based black economic empowerment. Sadly, the hon Masipa who is from a historically disadvantaged group also supports this. We understand he is singing for his supper. They argue that black economic empowerment discourages investment. We reject that argument. It does not hold any water. The reality is that South Africa's economy remains highly concentrated due to historical exclusion and structural inequalities. Without intervention, these inequalities would simply reproduce themselves.

Trade remains a pillar of South Africa's economic strategy, and our country has recorded a number of financial investments in this regard. This demonstrates that resilience in our export sector remains very strong despite global uncertainty. The African Continental Free Trade Area continues to create new opportunities for South Africa and business as a whole. The expansion of trade across the continent creates economies of scale, expands markets, and supports industrialisation. We must also acknowledge the progress made in attracting investment. Since 2018, South Africa has secured more than

R2,4 trillion in investment commitments through the President’s investment mobilisation drive. Of these commitments, approximately R634 billion has already flowed into productive sectors.

House Chairperson, we know that, as government, we are supporting new economic frontiers, for example, budget allocations for the hemp and cannabis strategy, as well as a green hydrogen commercialisation strategy. Investment in Special Economic Zones, SEZs, such as the Vaal SEZ, is creating opportunities for green steel production and renewable component manufacturing.

The ANC says this Budget Vote is not merely about spending money. It is about creating jobs. It is about supporting local manufacturing. It is about financing industrialisation. As the ANC, we support the budget.

I want to thank the Minister and the team for having raised the bar, but I must say I am a little disappointed that the Deputy Minister was complaining rather than adding more value to the debate. It is unfortunate. We know that the DA, the EFF, and the MKP collectively failed to deal with the issues affecting the people of our country. They failed to rise to the occasion in this debate on trade, industry, and competition. They failed to deal with the following issues: sustainable economic growth, support for businesses, and the job creation target of 10 000.

On the SEZ, the DA is disappointed that we visited the Tshwane SEZ that is a pocket of excellence. They were disappointed in the sense that they thought they would find mistakes, only to discover this SEZ was working. The Tshwane SEZ, as well as the one in Ngqura, is working very well.

With regard to the challenges, just last week, the Department of Trade, Industry and Competition presented a report on intervention mechanisms aimed at addressing challenges across other SEZs. There is also the question of best practice. The Tshwane SEZ and the Ngqura SEZ have committed themselves to sharing lessons with struggling SEZs. So, there is intervention around that aspect. With regard to the broader issues around SEZs, the turnaround strategy of the Department of Trade, Industry and Competition is well on track.

We all know now, as from last week, that not all is well in the DA. You could see the mood last week. You could see the mood last week! All of them had low morale because of developments. [Interjections.] What is the point? The point is that the DA is a very dishonest organisation. Two months ago, they made a particular commitment. Two months down the line, that commitment is no longer there. It is public knowledge that there is dissent. There is ...

Mr F J BADENHORST: Hon Chair ...

Mr S P MABILO: Alright.

The HOUSE CHAIRPERSON (Mr D R Ryder): Hon Mabilo, won't you take your seat, please? Yes, hon Badenhorst?

Mr F J BADENHORST: Chair, it pains me to do this again to this hon member, but I rise on Rule 61(b).

The HOUSE CHAIRPERSON (Mr D R Ryder): Yes, please proceed.

Mr F J BADENHORST: It is really difficult to understand how he can stand up there and call the DA a dishonest organisation when the ANC presided over 30 years of dishonesty in this country, and that is why they only get 40% of the vote now.

The HOUSE CHAIRPERSON (Mr D R Ryder): Thank you, hon Badenhorst. Order, members. Members, I think we will all agree that that is a point of debate, and, if we engage in that debate, we might be here for the rest of the day, or the evening. It is indeed a point of debate. Hon Mabilo, please continue with your speech.

Mr S P MABILO: Thank you very much, Chair. Hon Pienaar, you attack the ANC loosely on its ideological outlook, but your very own ideology now is "verkramp" [ultra-conservative]. Let me give you the definition of a "verkrampte" [reactionary]. According to the *Oxford Dictionary*, a "verkrampte" is someone who is rigidly conservative, someone who strictly resists change — that defines the DA.

Now let us come to the MKP and the EFF. Both the EFF and the MKP are directionless. They have no direction. Trade and industry is not conducted on the basis of noise but on the basis of engagement, so there is no loud hailing around that. Your very own member ...

Mr F J BADENHORST: Chair, on a point of order, please ...

The HOUSE CHAIRPERSON (Mr D R Ryder): Hon Mabilo, please sit. Yes, hon Badenhorst?

Mr F J BADENHORST: Chair, I rise on Rule 51.

The HOUSE CHAIRPERSON (Mr D R Ryder): Yes, I am there. Please proceed.

Mr F J BADENHORST: Chair, I was just wondering if there is anything you can do in your power, anything at all, to try and save this House from having to endure the drivel that this member is spewing from the podium. Thank you.

The HOUSE CHAIRPERSON (Mr D R Ryder): Hon member, I think he is staying within the parameters of the debate but let us allow him to continue. He has a few more seconds. We have another 33 seconds to listen to.

Mr S P MABILO: So, Chair, as I indicated, the ANC supports the budget. I am saying that the Department of Trade, Industry and Competition is conducting its business through strategic engagements with a number of role-players. So, hon members of the MKP and the EFF, you have lost the debate in the sense that you have not been able to rise to the occasion. However, MKP and EFF members of the community are disappointed that you are ...

The HOUSE CHAIRPERSON (Mr D R Ryder): Hon Mabilo, I am afraid your time has now expired, and I have to grant Mr Badenhorst his wish.

Mr S P MABILO: Thank you. [Time expired.]

The HOUSE CHAIRPERSON (Mr D R Ryder): Thank you, hon delegates. Let us proceed. The House now recognises the Minister of Trade, Industry and Competition, the hon Tau, to reply to the debate. The Minister has eight minutes.

The MINISTER OF TRADE, INDUSTRY AND COMPETITION: Hon Chairperson, I think hon Mabilo has spared me from the duty of dealing with the DA schizophrenia in determining whether it is part of the government, the opposition, or what exactly its position is in this House. I will spare the House the duty of responding to a lot of the contradictions coming from that side and give my attention to the more substantive issues that came out of the debate.

The hon chairperson of the committee indicated that, in fact, the process of reform is important to addressing the critical challenges that this country faces. I can confirm that the country has adopted what is called the growth and inclusion plan, which is driven by three areas of reform. The first area of reform is in relation to macroeconomic reform. We have seen the work that has been done and led by National Treasury in addressing issues of macroeconomic reform. The second area of reform is in relation to structural reforms and the work that is done through Operation Vulindlela, addressing the challenges around energy, logistics and so on are critical areas of that issue of structural reform. The third area is with regard to industrial policy reform. We have indicated that the government has adopted the Industrial Development Strategy to drive this industrial policy reform area. I can therefore confirm that all these interventions are aligned in seeking to address the issues of growth in the country but also address the impediments to growth in this country.

There is an important issue that was raised by the hon MEC in the Eastern Cape, which is the impact of policies such as Carbon Border Adjustment Mechanisms on the South African economy and how this would translate into impact on our economy. Whilst we are dealing with the challenges that have been brought about by the US tariff policies, we are also dealing with policies that are introduced as carbon or sustainability policies, but in reality, are trade policies and trade impediments that are being created through instruments such as the Carbon Border Adjustment Mechanisms.

It has been well articulated what that impact would be. But what that demonstrates is the reality that Global North is in fact intent on continuing to marginalise the Global South. Part of our reality is that as from the beginning of next month, we will be facing additional tariffs in the steel sector, particularly from the European Union, EU, and the UK, which would have a significant impact. We are talking about 50% tariffs on steel and a reduction in quotas of access to these markets for South African steel. That is a clear indication of the extent to which these economies continue to marginalise the Global South, because in reality, our contribution to the steel market as the African continent constitutes 2%. Why should we get reduced quota access into global markets, particularly in the Global North of the United States, the UK and the EU? These are matters that we need to apply our minds to in terms of the interventions that we make in the local economy.

So, when we respond to issues of chrome, ferrochrome, manganese; when we deal with issues of acetyl metal and steel issues and when we deal with the review of the steel policy environment, we are cognisant of the global impact on the local economy. With regard to issues that were also raised with regard to the African Continental Free Trade Agreement, but also our accession to the Afreximbank. I can confirm that today we returned from Egypt, having signed over the weekend a country implementation plan for the Afreximbank Country Programme.

This country programme consists of three areas. It is about trade and industrial competitiveness pipeline of R8 billion as a commitment to the South African economy. It is about a R3 billion commitment to the Afreximbank inclusive development support programme that looks at transformation and ensuring economic inclusion for those historically marginalised. It is about the South Africa trade and investment promotion programme that is also R2 billion programme that’s looking at insurance and reinsurance initiatives to support companies that are able to export into the African market and promote South Africa trade. There are issues that relate to the broader transformation issues that we are dealing with.

There have been a lot of inaccuracies that have been raised in this House about the Transformation Fund, the review of the transformation architecture, and in fact, the successes of black economic empowerment, BEE, to date. Those who deny the successes of BEE to date, in fact, are denying the reality of the number of enterprises that are participating in the Johannesburg Stock Exchange, JSE. They are denying the reality of the number of enterprises that participate in enterprise and supply development programmes. They are denying the reality of the number of black children and young people that participate in skills development programmes to ensure access to opportunity. They are denying the reality of the number of black managers, both in the public and private sector, that have gained access to opportunity. Because indeed what you seek to say is that every individual managing director, CEO, CFO, or whoever holds a senior position in the public and private sector, who are either black people or women, including white women who have been affirmed as a result of black economic empowerment policies, do not deserve to be there. That is a misrepresentation or a misunderstanding of what BEE represents.

In fact, what we are reversing includes the oppression of white women in this country by apartheid policies and law, and therefore white women are included in the black economic empowerment policy architecture. You see, you won’t know because you don’t want to know that reality. We are dealing with the issues of all those who have been oppressed, who have been disadvantaged as a result of the policies of your predecessors. So indeed, you will not understand what transformation is about in this country. I think the statement made by hon Douglas is in the context of the schizophrenia that says transformation must be linked to production, ownership, and skills. It is the most pragmatic contribution to this discourse by any member of the DA. Otherwise, everybody else has just said things that are just about reversing instead of advancing this country. Thank you very much.

The HOUSE CHAIRPERSON (Mr D R Ryder): Let’s try again. Thank you very much. Delegates, I would like to thank the Minister, the Deputy Minister, all permanent delegates, MECs and all special delegates and the SA Local Government AssociationSalga representatives for availing themselves for today’s sitting. Hon delegates, that concludes the business of the day. You will note that the sitting for tomorrow has been amended to be a virtual sitting.

Debate concluded.

The Council adjourned at 20:19.