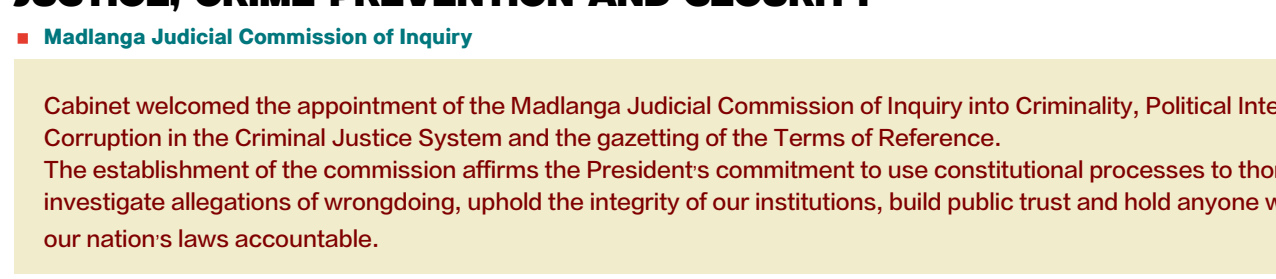


CABINET STATEMENT

On the Cabinet Meeting of Tuesday, 22 July and Wednesday, 6 August 2025.



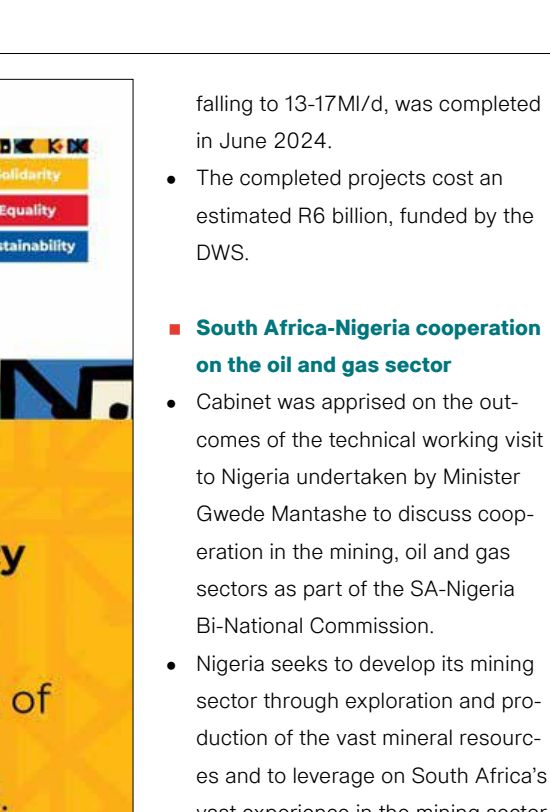
G20 SOUTH AFRICA 2025

ISSUES IN THE ENVIRONMENT

JUSTICE, CRIME PREVENTION AND SECURITY

■ Madlanga Judicial Commission of Inquiry

Cabinet welcomed the appointment of the Madlanga Judicial Commission of Inquiry into Criminality, Political Interference and Corruption in the Criminal Justice System and the gazetting of the Terms of Reference. The establishment of the commission affirms the President's commitment to use constitutional processes to thoroughly investigate allegations of wrongdoing, uphold the integrity of our institutions, build public trust and hold anyone who transgresses our nation's laws accountable.



■ Crime prevention and combatting

- Cabinet welcomed the intensified policing interventions through Operation Shanela 2 which saw the arrest of over 17 000 suspects across the country between 27 July and 2 August 2025. About 2 911 wanted suspects were arrested for serious and violent crimes such as murder, attempted murder, car hijackings, rape, house and business robbery while 1 763 individuals were arrested for assault and grievous bodily harm.
- Cabinet further welcomed the arrest of 550 suspected of illegal mining from a mine shaft in Barberton, Mpumalanga as part of Operation Vala Umgodi and noted that they were granted bail.

UPDATES TO CABINET

■ Framework Deal with the United States of America

- Cabinet received an update on the Framework Deal with the United States of America (USA), in light of the 30% tariffs against South Africa that are expected to come into effect from 7 August 2025, with the provision that the tariffs will be reviewed as soon as the two countries reach a deal.
- Cabinet affirmed government's commitment to finding constructive and sustainable solutions through continued engagements with the USA, including at presidential level.
- As communicated through The Presidency, President Ramaphosa has reached out telephonically to President Trump as part of bolstering South Africa's negotiation efforts on trade agreements. Government remains focused on growing the economy to save and create new jobs, including intensifying diversification efforts and strengthening global supply chain integration as the country works to expand its export markets to Asia, Europe, the Middle East and across Africa to enhance our economic resilience.
- Specific to industries impacted by the tariff increase, government is focusing on demand side interventions in the impacted industries and targeted interventions to ensure industry stability and safeguard employment. These include:
 - The establishment of an Export Support Desk, which will serve as a direct point of contact for affected companies.
 - Measures to assist companies to absorb the tariff and facilitate long-term resilience and growth strategies to protect jobs and productive capacity in South Africa.
- A Localisation Support Fund for affected companies to contribute to the national effort
- The Export and Competitiveness Support Programme will include a working capital facility and plant and equipment facility to address short to medium-term needs across all industries.
- Working with the Department of Employment and Labour on measures to mitigate potential job losses, using existing institutions within its entities that can be adjusted to respond to the current challenges.
- Following consultations with the Competition Commission, a Block Exemption for Exporters has been introduced to enable collaboration and coordination by competitors. A draft Block Exemption will be published so that the process can be concluded expeditiously. Information will be available on <https://www.thedtc.gov.za>

■ South Africa-China Trade and Investment Package 2025 - 2029

- The Department of Trade, Industry and Competition (the dtic) in consultation with industry associations and export councils, compiled a South Africa-China Trade and Investment Package (2025 - 2029) as a basis for economic engagement with China.
- The package includes trade, investment, industrial development and skills development. (a) On trade: The priorities are on the exchange of top 100 products, establishment of a permanent expo in China and cooperation to address regulatory measures. (b) On investment and industrial development: The priorities are on investments in steel, tyres, automotive, battery manufacturing, pharmaceuticals and medical devices, rail manufacturing and the digital economy. (c) The skills development component: Focuses on skills associated with the identified priority sectors including to service and provide aftercare maintenance.
- The package was shared with the government of the People's Republic of China during a working visit of Deputy President Mashatile to the country, that took place from 14 to 18 July 2025. The Deputy President

engaged with key Chinese state-owned enterprises and financial institutions and also participated in the South Africa-China Investment Forum and the China International Supply Chain Expo, where he officially launched the South African National Pavilion to position our country as a gateway to Sub-Saharan Africa for trade, investment and industrial cooperation.

■ National Dialogue - First National Convention

- Cabinet received and considered a report on the progress made to date towards convening the first of two conventions of the National Dialogue to take place over three days from 15 to 17 August 2025 at the University of South Africa (Pretoria).
- This convention is aimed at mobilising consensus on the focus areas for the National Dialogue that is planned to include South Africans from all walks of life coming together to define a vision for our country for the next 30 years. The National Dialogue is planned to take place over 13 400 ward dialogues, in addition to 50 000 citizen-led engagements over the next 12 months from the convening of the first convention.
- The initiative has already received overwhelming interest, with more than 737 organisations from more than 30 sectors registering to participate, which reflects a strong desire among South Africans to shape their shared future.
- Cabinet reaffirmed that the National Dialogue is not merely a platform for discussion, but a powerful mechanism for action - laying the foundation for a more inclusive and united South Africa.

■ Carbon Border Adjustment Mechanism (CBAM)

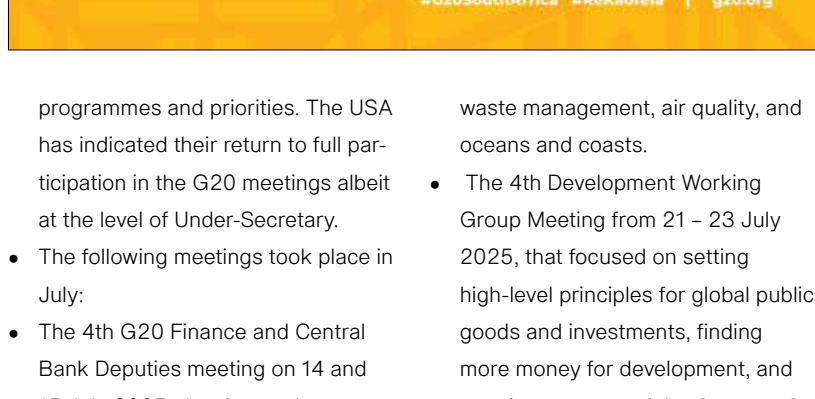
- Cabinet was apprised on progress in determining the impact of CBAM on South Africa's economy, including in sectors/products covered by CBAMs. Cabinet approved consideration of balanced set of actions and messaging that reflect both our developmental needs, national interest, economic growth implications and commitments to climate action.
- Cabinet further approved the implementation of a government-wide multi-dimensional approach to be led by the dtic including partnerships with academia, private sector and organised labour to leverage on decarbonisation strategies and utilisation of bilateral, multi-lateral and other available platforms to lobby and campaign against CBAM.

■ Bi-annual Performance Reports

- Cabinet received and considered Bi-annual Progress Reports on the implementation of the 2024 - 2029 Medium Term Development Plan (MTDP) for October 2024 to March 2025.
- The MTDP outlines key priorities adopted by the Government of National Unity namely: (i) Inclusive growth and job creation, (ii) Reducing poverty and tackling the high cost of living and (iii) Building a capable and developmental state.
- The Minister of Planning, Monitoring and Evaluation, together with co-chairpersons of Cabinet clusters will provide in-depth briefing on the matter on Tuesday, 12 August 2025.

■ G20 updates

- Approximately 80 of 132 planned official meetings on the G20 calendar have already taken place.
- The negotiations of the Ministerial Outcome documents/declarations and related high-level outcomes have begun.
- South Africa has introduced the Cost of Capital Review, which is a critical step towards creating a fairer global financial system that enables developing countries to invest in infrastructure, healthcare, education and climate resilience.
- All the recognised G20 engagement groups have presented their work



programmes and priorities. The USA has indicated their return to full participation in the G20 meetings albeit at the level of Under-Secretary.

- The following meetings took place in July:
 - The 4th G20 Finance and Central Bank Deputies meeting on 14 and 15 July 2025, that focused on:
 - (i) the Multilateral Development Banks Monitoring and Reporting Framework, (ii) Pandemic Response Financing Simulation Exercise, and (iii) Update on the Global Sovereign Debt Roundtable.
 - An Emerging Markets and Developing Economies (EMDE) Deputies meeting which proposed that South Africa must continue to coordinate the EMDE meetings as a member of the G20 Troika next year.
 - The 3rd Finance Ministers and Central Bank Governors' Meetings on 17 and 18 July 2025, that covered (i) international financial architecture (ii) infrastructure (iii) international taxation (iv) impediments to growth and development in Africa, (v) sustainable finance (vi) financial sector issues and financial inclusion.
 - The 3rd Technical Meeting of the G20 Empowerment of Women Working Group (EWWG) from 2 - 4 July 2025, focused on advancing global dialogue and cooperation on gender equality and women's empowerment with a specific focus on recognising, reducing and redistributing unpaid care work.
 - The 3rd Education Working Group Meeting held from 2 - 3 July 2025, focused on the urgent need to supply sufficient teachers to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. The meeting also discussed the draft G20 Education Ministers' Declaration.
 - The 5th Health Working Group Meeting from 8 - 9 July 2025 that focused on strengthening global health security in the areas such as pandemic preparedness and response, as well as the need for sustainable health financing and equitable access to new technologies like TB vaccines.
 - The 3rd Disaster Risk Reduction Working Group Meeting from 9 - 10 July 2025 that focused on addressing pressing challenges in Disaster Risk Management and shared knowledge, strategies and best practices for mitigating disaster risks.
 - The 4th Meeting of Task Force 1: Inclusive Economic Growth, Industrialisation, Employment and Reduce Inequality held on 9 and 10 July 2025, focused on strategies to promote inclusive economic growth, industrialisation, employment and reducing inequality.
 - The 2nd Climate and Environment Sustainability Working Group Meeting from 14 - 18 July 2025, that focused on issues of biodiversity and conservation, climate change, land degradation, drought, chemicals and

waste management, air quality, and oceans and coasts.

- The 4th Development Working Group Meeting from 21 - 23 July 2025, that focused on setting high-level principles for global public goods and investments, finding more money for development, and creating strong social safety nets for everyone.

■ Giyani Water Intervention Programme (Mopani District, Limpopo)

- Cabinet received an update on the implementation progress of the Giyani Water Intervention Programme.
- The Giyani Water Services Project which involves the construction of 325 km of bulk pipelines from the Giyani WWTWs to include service reservoirs to supply 55 villages in Giyani and anillaries. The overall project progress is currently at 90.23%. Pressure testing and commissioning account for most 90% of the remaining works. The project is envisaged to be completed by September 2025.
- Giyani 55 Villages Reticulation Phase 1 which involves reticulation and household metered connections to 24 of the 55 villages. This project has 23 out of the 24 villages completed with reticulation and household connections. The remaining Risinga View Village will be completed by the end of July 2025. Phase 2a which involves reticulate and metered household connections to 15 villages, will be implemented in the 2025/26 financial year and Phase 2b (16 villages) will be implemented in the outer year of the MTEF.
- The upgrade of the Giyani WWTWs from 30Ml/d to 40Ml/d and development of a number of well fields to ensure sufficient water supply to the 55 villages of Giyani, is still at planning stage to be implemented in the third quarter of the current financial year once the IRS is finalised. Hopefully, this will be the last intervention by the Department of Water and Sanitation (DWS) in Giyani to improve water supply to the 55 villages and the town.
- This progress follows on previous significant interventions which included:
 - Nandoni-Nsami Bulk Pipeline - a 40.5 km raw water pipeline from Nandoni Dam in Vhembe, discharging into a canal at Xikukwani and finally gravitating into a balancing dam at Giyani WWTWs, which became functional on 5 April 2023 and practically completed in December 2023, and currently supplying Giyani WWTWs with an average of 15Ml/d of raw water. Parallel to this line is a 58 treated pipeline which ends at KwaMsani (Greater Malamulele) under Collins Chabane Local Municipality, which was completed in December 2023 as well.
 - The refurbishment of the Giyani WWTWs to restore its original production capacity to 30Ml/d which was

falling to 13-17Ml/d, was completed in June 2024.

- The completed projects cost an estimated R6 billion, funded by the DWS.

■ South Africa-Nigeria cooperation on the oil and gas sector

- Cabinet was apprised on the outcomes of the technical working visit to Nigeria undertaken by Minister Gwede Mantashe to discuss cooperation in the mining, oil and gas sectors as part of the SA-Nigeria Bi-National Commission.
- Nigeria seeks to develop its mining sector through exploration and production of the vast mineral resources and to leverage on South Africa's vast experience in the mining sector.
- South Africa has an interest in securing oil allocations and liquid petroleum gas supply from Nigeria and also learn from Nigeria's vast experience in oil and gas exploration and production.
- Cabinet was informed of Nigeria's commitment to finalise, by end of August 2025, the commercial terms for crude oil allocations to South Africa that will enable direct access for South African state-owned and private refineries.

■ Advancing the implementation of reforms in the freight and logistics sector

- Cabinet approved the submission to Parliament for the process to appoint a Regulator Board, whose aim is to provide oversight over the Transport Economic Regulator (TER) in its strategic matters to ensure the good governance and financial oversight. The TER board will ensure alignment of economic regulatory principles across all modes of transport inclusive of ports, rail, road and aviation. The Board will strive for streamline regulation in promoting fair pricing with key objectives of protecting the users and boosting competition. The appointment will ensure that the statutory mandate is performed to the highest levels of ethics and service delivery.
- The appointment of the board is key in the establishment and operationalisation of the TER as one of the government's priorities to support reform agenda, which will improve the ease of doing business by consolidating and streamlining regulatory processes, automating permit and other applications, reducing the cost of compliance and create policy certainty, which will help to attract the required investment, particularly in the transport sector.
- The TER will ensure that the rules of the game are fair among government and private entities. It will strive for fair pricing to help prevent unjustified fare increase in transport to ensure that passengers get value for money. This will cushion the poor and the working class, the majority of whom depend on public transport. This will contribute to reduction of the money spent on transport monthly, that will translate into a disposable income and affordability.
- The TER Board will have to ensure that the third-party operators to be admitted to the national rail network owned by the Transnet infrastructure are treated fairly and encourage ownership of rolling stock which will ensure predictable pricing for logistics and translate with long time investment and investor confidence. This will assist in the government's strategic objectives of economic development and job creation with multiple jobs created in the transport sector.
- The movement from freight road to rail will be achieved where companies will shift bulk goods like coal, containers to rail therefore reducing the environmental impacts, preservation of our roads, easing of road congestion and less accidents on the roads. The Board will ensure it balances its regulatory approach across the modes in discharging its fiduciary duties.

CABINET DECISIONS

■ Accession to the Afreximbank Establishment Agreement

- Cabinet approved South Africa's accession to the Afreximbank Establishment Agreement to attain full membership, unlock the full suite of Afreximbank's trade and investment instruments, financing facilities and strategic partnership offerings in support of national and continental developmental priorities.

- South Africa, through the Export Credit Insurance Corporation will transition to class A shareholding, which will give the country a stronger role in Afreximbank's governance including influence over its strategic direction, structure and leadership appointments.

- By acceding to the establishment agreement and becoming a sovereign member, the South African government unlocks Afreximbank's ability to deepen its export and investment through the provision of funding, products and services to South African companies, commercial banks, as well as South African state-owned entities, thus supporting exports and the re-industrialisation of the South African economy.

- In addition, sovereign membership provides access to the bank's intervention facilities, often used to assist African member states and their private institutions whenever there is market failure, global financial, economic and geopolitical crises.

■ 2026 Budget process (principles, guidelines and calendar)

- Cabinet considered a proposal on budget reforms aimed at building a budgeting system that supports South Africa's development goals while safeguarding long-term fiscal sustainability and approved the 2024 - 2029 Budget Principles, 2026 MTEF Guidelines and the 2026 Budget Process Calendar.
- 2024 - 2029 Budget Principles
 - Government must put in place a robust and inclusive process to achieve an upfront agreement on a limited set of strategic budget priorities:
 - a. the fiscal framework
 - b. taxation
 - c. debt-financing
 - d. key infrastructure investments
 - e. key spending priorities and areas to cut spending, and

- f. measures to grow the economy.

- Evidence-based, outcomes-focused and data-informed budget decisions:

- (a) A single, composite, transparent and comprehensive budget process including on the Division of Revenue across all spheres of government.

- (b) To uphold section 214 of the Constitution wherein the budget process must fully consider the mandates and the fiscal capacity of all spheres of government.

- Integrated planning, prioritisation and budgeting including aligning public service wage negotiations with the budget process.

- Budget decisions must be forward-looking and medium-term in orientation, thus the MTEF must be a primary tool for aligning policy priorities with the fiscal strategy.

- The budget process must be structured, time-bound and rules-based and as such, the Budget Calendar set fixed time-lines across each phase of the process, from priority-setting to legislative approval.

- Budget decisions must be sequential and respected as part of maintaining the effectiveness of the budget process.

- Budget decision-making structures must be effective, participatory and timeless.

- The budget process must promote operational and allocative efficiency of public spending.

- The budget process must support decentralised decision-making and accountability.

- The MTEF guidelines reaffirm government's commitment to a more disciplined, transparent and strategically-aligned budget process that supports South Africa's long-term fiscal objectives and national development priorities.

- South Africa's second draft Nationally Determined Contribution to the global response to climate change as required by the Paris Agreement

- Cabinet approved the publication of the Nationally Determined Contribution (NDC) for consultation.

- The second NDC proposes the Greenhouse Gas (GHG) emissions target range of 320 - 380 mt CO₂ eq in 2035.

- The finalisation of the second NDC gives effect to South Africa's international commitments and obligations in relation to global effort on climate change and ensuring a just energy transition towards a low carbon economy and society. The

- NDC will also be available on <https://www.dffe.gov.za>.

- Government undertook a technical analysis of the country's likely GHG emissions pathways up to 2035, as well as an analysis of South Africa's legal obligations under the Paris Agreement and rulebook, the country's planned renewable capacity for 2035, the National Energy Efficiency Strategy and the Integrated Resource Plan.

■ Report on Ministerial Roundtable - Natural Diamonds: Challenges and Opportunities (30 July 2025)

- The South African diamond industry is a significant player within the global diamond and jewellery industry, and it contributes substantially to the national economy. However, the global diamond industry continues to experience extreme challenges due to macro-economic factors and consequently, Cabinet granted approval to the Department of Mineral Resources and Petroleum to participate in international agreements that enable diamond-producing governments to be better positioned to promote and market natural diamonds globally. For this to be realised, Cabinet has further approved that the diamond industry be requested to contribute 1% of their annual revenues generated from rough diamond sales, to support marketing of South Africa's real/original diamonds to enable economic growth and job creation.

■ Removal of the Repeal of the SAA SOC Limited Bill from the legislative programme of Parliament

- Cabinet approved the request to table for withdrawal of the South African Airways (SAA) Soc Limited Bill from the legislative programme of Parliament.

- The Sale and Purchase Agreement and the repeal of the SAA Act 5 of 2007, was condition precedent that the erstwhile Department of Public Enterprises was required to fulfil for the transaction to be met. The Bill was tabled in Parliament on 25 January 2024; however, on 14 March 2024, termination of the transaction was announced following the collapse of negotiations between the parties. Consequently, the termination of the agreement rendered all outstanding conditions inter alia, the repeal of the SAA Act 5 of 2007 unimplementable, hence the request for the withdrawal of the Bill from the legislative programme of Parliament.

BILLS

■ Water Services Amendment Bill

- Cabinet approved the submission of the Water Services Amendment Bill to Parliament. The Bill aims to strengthen the regulation and management of water services as well as improve compliance with the Water Services Act, 1997 (Act 108 of 1997).
- The amendments to the Water Services Act introduce reforms to address the non-separation of Water Services Authorities (WSA) and Water Services Providers (WSP) functions by municipalities, by providing greater clarity regarding the functions of each, address poor performance of the WSPs by introducing a legal requirement that WSAs may only appoint WSPs that have an operating license which requires a minimum level of competency issued by the DWS.
- The amendments will also address weaknesses identified in the sector, including introduction of offences for non-compliance, norms and standards for inter-ventor and minimum standards for the functioning of water services providers, which must be enforced by WSAs.

■ National Water Amendment Bill

- Cabinet approved submission of the National Water Amendment Bill to Parliament. The Bill amends the National Water Act, 1998 (Act 36 of 1998). These amendments will improve regulations and will ensure that the country's water resources are well managed, protected and conserved. The Bill also makes proposals to eliminate the imbalances of the past relating to water allocation and also gives effect to Section 27 of the Constitution of the Republic of South Africa of 1996, by making provisions to enhance protection of the country's water resources.

■ Draft Children's Amendment Bill

- Cabinet approved publication of the Draft Children's Amendment Bill for public comment. The Bill aims to update and strengthen the existing Children's Act, 2005 (Act 38 of 2005), focusing on several key areas such as weaknesses and inadequacies in the prevention and protection system across an array of services ranging from childcare, early intervention, statutory, alternative care, re-integration and aftercare services. The Bill also seeks to strengthen mechanisms to further protect children against violence, mistreatment, abuse, neglect and exploitation.

- The government of Ghana, for the helicopter crash that carried a number of government officials.

CONGRATULATIONS

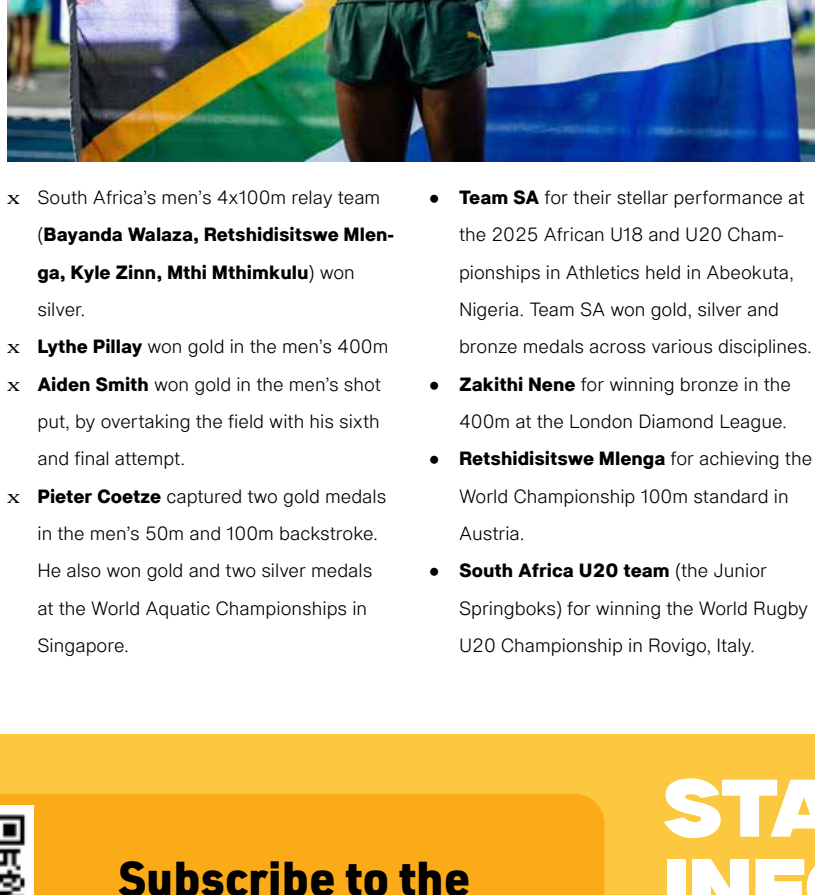
Cabinet extends its congratulations and well wishes to:

- Judge President Dintso Mlambo** who has been appointed Deputy Chief Justice of the Republic of South Africa. Justice Mlambo previously served as Judge President of the Gauteng Division of the High Court and has consistently demonstrated a steadfast commitment to the independence of the judiciary, access to justice and transformation of the legal system.

- Dr Mafu Rakometshi**, Chief Executive Officer of Umalozi Council, on his appointment as President of the International Association for Education Assessment

- Team South Africa (Team SA)** for a spectacular performance at the 2025 FISU World University Games in Germany. Team SA ended the games with a total of 19 medals, which included six gold, five silver and eight bronze.

- Bayanda Walaza** won gold in the 100m and 200m.



- South Africa's men's 4x100m relay team (**Bayanda Walaza, Retshiditswe Mlenaga, Kyle Zinn, Mthi Mthimkulu**) won silver.

- Lythe Pillay** won gold in the men's 400m

- Aiden Smith** won gold in the men's shot put, by overtaking the field with his sixth and final attempt.

- Pieter Coetzee** captured two gold medals in the men's 50m and 100m backstroke. He also won gold and two silver medals at the World Aquatic Championships in Singapore.

- Team SA** for their stellar performance at the 2025 African U18 and U20 Championships in Athletics held in Abokobo, Nigeria. Team SA won gold, silver and bronze medals across various disciplines.

- Zakithi Mene** for winning bronze in the 400m at the London Diamond League.

- Retshiditswe Mlenaga** for achieving the World Championship 100m standard in Austria.

- South Africa U20 team** (the Junior Springboks) for winning the World Rugby U20 Championship in Rovigo, Italy.

- host a GBVF awareness and Prevention Activation Imbizo on 8 August 2025 in Ga- Kapaane, Limpopo.

- The activation will bring together government departments, civil society traditional leaders and local community to raise awareness and strengthen community-driven response to the scourge of GBVF.

■ Cabinet Investment Summit

- Cabinet gave approval for South Africa to host the African Union Water Investment Summit in Cape Town from 13 - 15 August 2025. The summit will bring together Heads of State and Government, African Ministers of Water, G20 member states, investors, the private sector, policy-makers, academics, international organisations and related sectors to exchange views on the challenges of water provision, funding for water infrastructure and water investment on the continent.

- The summit is aligned to the G20 goal of increasing the quality and quantity of climate finance flows to developing countries by mobilising investments for water security and resilience, as well

- as sustainable sanitation. One of the outcomes of the summit will be to identify governance actions, finance, data and capacity in the water sector, in particular to mobilise investments for closing the funding gap identified through the Africa Water Investment Programme, also known as the "Mind the Gap, Invest in Water Campaign". Moreover, the summit will showcase investor-ready pipeline projects to potential investors.

■ Launch of the Rand Water's Zuikerbosch Water Purification Works plant

- President Cyril Ramaphosa will launch Rand Water's Zuikerbosch Water Purification Works plant near Vereeniging on 8 August 2025. It is the biggest state of the art water purification plant in Africa and aims to augment the current water supply capacity of Rand Water and contribute to the water security of Gauteng.

MESSAGES

CONDOLENCES

Cabinet expressed condolences to the friend-

sand family of:

- The Government of Nigeria and its people following the President of the country's former President **Muhammadu Buhari**. President Buhari's leadership brought our two nations closer together and contributed to Africa's collective growth and development.

- Ms Tracy Brown**, a regional court prosecutor, attached to the New Brighton Magistrate's Court in Gqeberha, who was brutally murdered in front of her house. Her murder is an attack on the rule of law and our tireless efforts to hold criminals accountable.

- Renowned journalist and Executive Editor of the Sowetan newspaper, **Pearl Sebo-lao** whose journalism career spans over two decades.

- Veteran actress and comedian, **Meme Ditshego**, whose illustrious career spanned television, theatre and film.

- Renowned entrepreneur, designer and co-founder of multi-award Sun Goddess fashion label, **Vanya Mangaliso**, who made South Africa's traditional attire fashionable.

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