



Quarterly Review

**Analysis of South Africa's
reform progress:
Jan-Mar 2026**

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> Reform Tracker – Q1 Overview

Overall, progress remains positive – South Africa's reform agenda is advancing, though at a slower pace.

- ✓ The overall completion index has risen continuously since tracking began in March 2024 and is now up 27% from its starting point.
- ✓ The latest quarter climbed a marginal 0.4 points between December 2025 and March 2026 to 71.5 points.
- ✓ Economic reforms, which carry the largest weighting (70%), remain the primary driver, though its progress was slowed by a sharp fall in freight logistics (see sidebar)
- ✗ Overall momentum has eased, in part due to a slowdown in progress but also due to an expected slowdown as some reforms near completion.
- ✗ While the momentum of reform implementation has slowed, we expect an acceleration this quarter with numerous important deliverables due, particularly in the energy sector but also in water, local government and public sector reforms.

Freight logistics

The index dropped 4% from our previous assessment, reflecting a careful examination of where reforms are, causes for delays and their significance as well as procurement governance.

Despite an active transaction pipeline:

- Bankable deal architecture still lags
- Volume 4 of the Network Statement missed several deadlines and remains unpublished
- National Rail Bill has no parliamentary date

Transaction design signals procurement governance concerns:

- Transnet designs and runs PSP processes
- Risk allocation skews heavily towards private partners

Overall trajectory

Overall completion index: 71.75, up from 71.1 at end-Dec 2025 and 27% above the March 2024 baseline

Category performance (Dec 2025 – March 2026):

Economic (70% weighting): 71.81 → 72.46 (+0.9%)

Criminal Justice (17% weighting): 84.05 → 85.77 (+2%)

Governance (13% weighting): 54.38 → 54.38

Positive developments:

Financial Intelligence Centre: 50 → 75 (+50%)

Labour reforms: 47 → 56.25 (+19.7%)

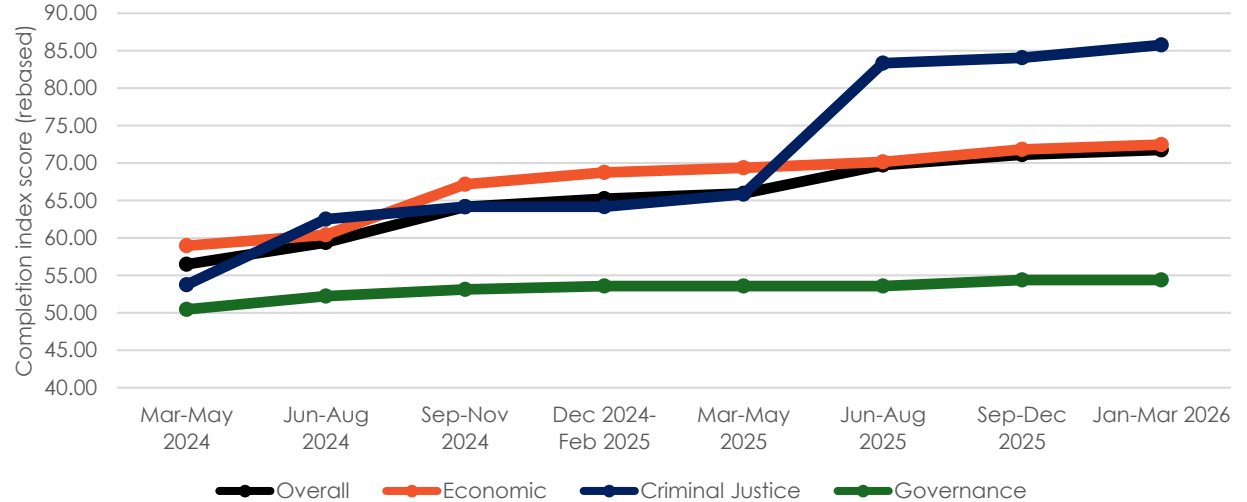
Financial sector reforms: 85.05 → 87.96 (+3.5%)

Negative:

Freight Logistics: 72.06 → 69.16 (-4%)

Looking ahead: Q2 2026 expected milestones include Sawem market code approval, NWRIA board appointments, local government white paper

Main reform area completion index



Note the language change: We have gone from “phase score” to “completion index”. This is because we are indexing the data from one quarter to the next, which compensates for the fact that the basket changes – reforms are completed, halted or new reforms added. Indexation removes the distortions from reform deliverables that are inconsistent from one quarter to the next, ensuring progress is measured by comparing like for like.

This review covers January to March 2026; the previous review covered four months to end-December. We adjusted the timing to coincide with the state fiscal year. Deliverables were rebased to ensure like-for-like comparison.

> Momentum slows

Overall RMI: 2% → 0.9%
(Dec 2025-March 2026)

Underlying movements

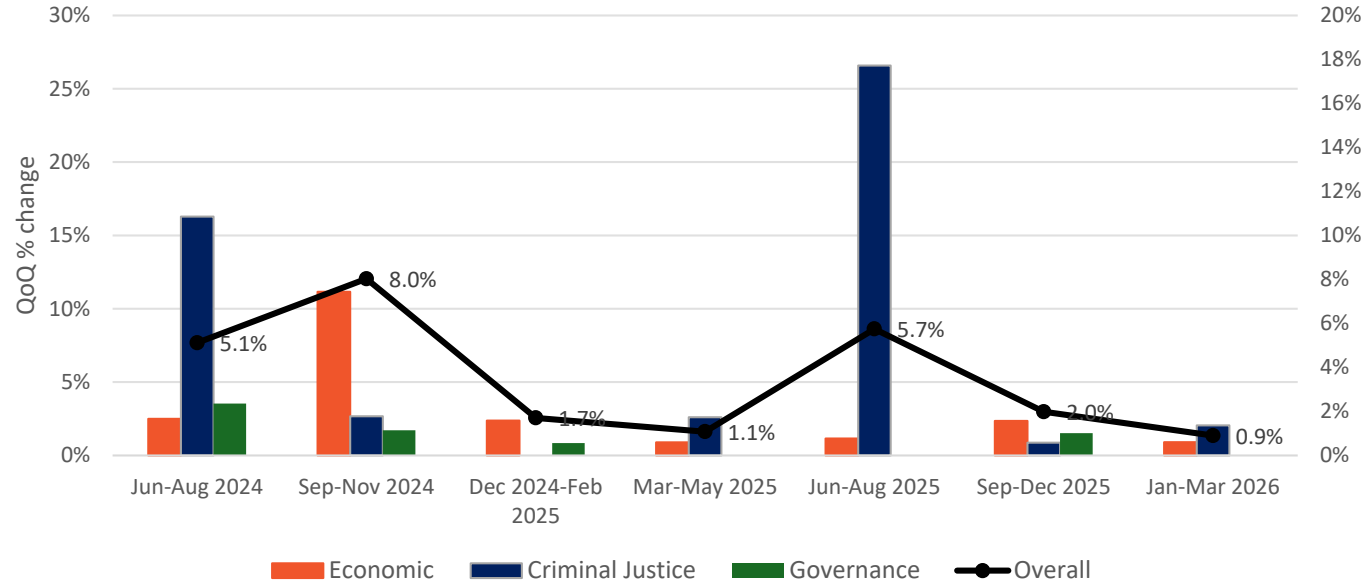
Individual reform level (120 categories tracked):

- 21 reforms (17.5%) advanced
- 9 (7.5%) declined
- 90 reforms (75.0%) – unchanged

Deliverable level (245 individual deliverables)

- 17 (6.9%) improved
- 10 (4.1%) declined
- 158 (64.5%) unchanged
- 33 (13.5%) completed (meaning the reform or deliverable has been fully implemented and its effects are being felt in the economy or in society)
- 27 (11%) halted (meaning the reform or deliverable is no longer being tracked.)

Reform momentum indicator

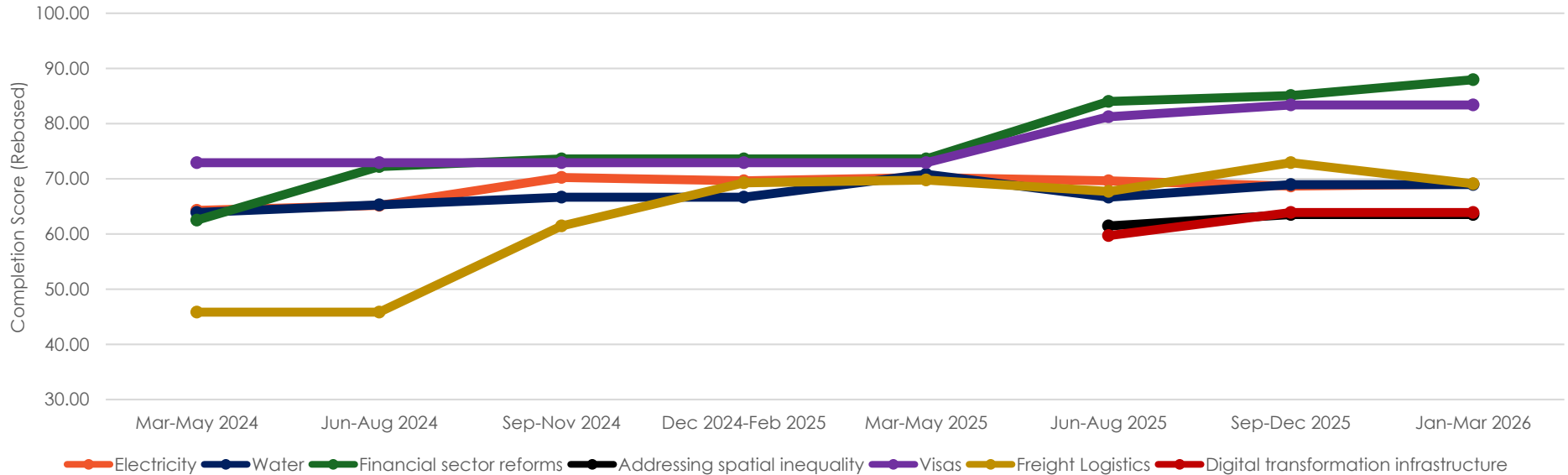


Reform momentum measures rate of change of reforms' progress to completion

> Economic reforms

Numerous reform areas advanced, particularly financial sector reforms with post-Budget activity, but freight logistics declined

Economic reforms completion index



Economic reforms

84 individual reforms tracked across 14 reform areas: 14 advanced, 7 declined, 63 unchanged

Advanced

Financial sector reforms: 85.05 → 88.02 (+3.5%)

Gains:

- Safety net and stability: Bank resolution and deposit insurance, financial inclusion and deposit insurance
- Retirement reform: Funeral insurance regulations review
- Innovation and market infrastructure: Credit information system, AI governance, foreign exchange modernisation, economics and statistics returns, fintech regulation, green finance taxonomy

Declines:

- National Financial Ombud Scheme launch, market abuse regulation expansion

Labour reforms: 47 → 56.25: Labour Laws Amendment Bill and Labour Relations Amendment Bills gazetted

Electricity: 67.63 → 69.05 Eskom unbundling appears to be back on track following presidential intervention

Declined

Freight Logistics: 72.06 → 69.16

Out of six reform areas: one advanced (Transnet separation), three declined (legislation and regulatory reforms, market reforms, private sector participation in ports and rail), two unchanged (see slide 2 for details)

> Criminal Justice reforms

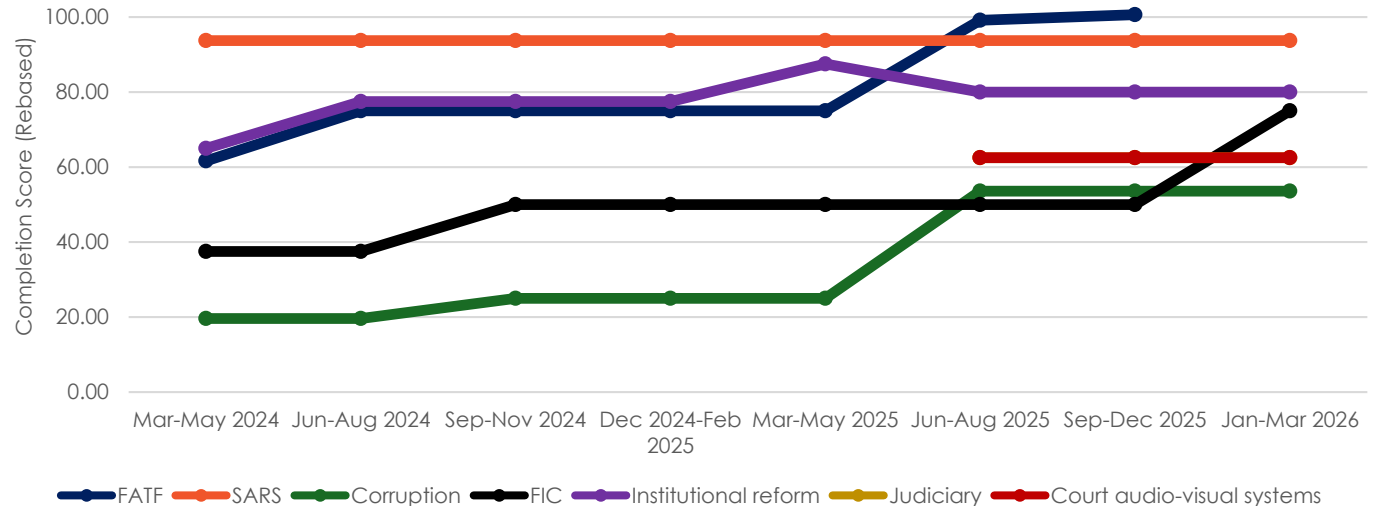
Criminal justice reforms showed a major gain in FIC capacity offset by a minor technical adjustment to FATF, with the majority of deliverables unchanged.

20 reform areas tracked: 1 advanced, 1 declined, 18 unchanged

Financial Intelligence Centre: FIC: 50.0 → 75.0: Bank compliance review advanced, representing improved FIC capacity

FATF: 100.0 → 99.9
Technical issue: adjusted from 100% to recognise that implementation and monitoring is still required

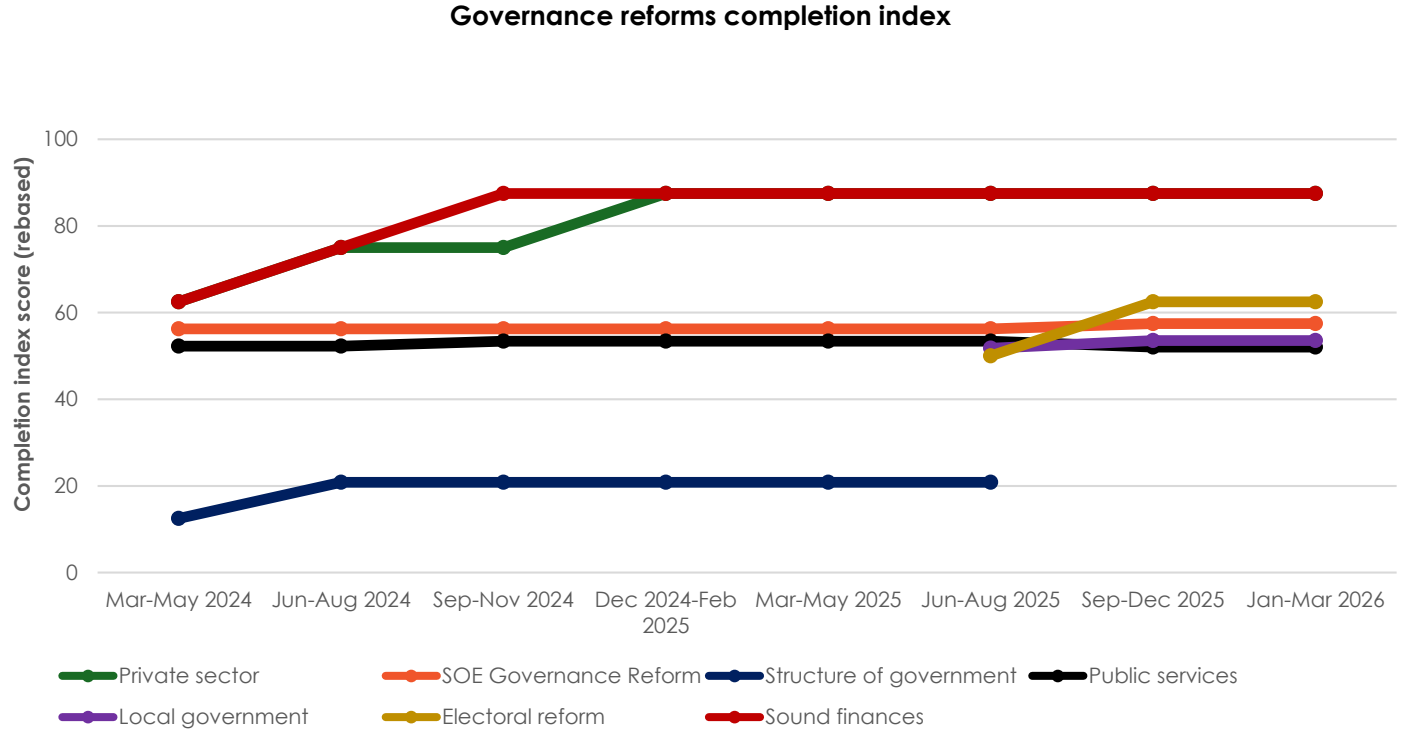
Criminal justice reforms completion index



> Governance reforms

It was a very quiet quarter for governance reforms – extending a concerning trend. While there were updates to some deliverables, none warranted any change in scores.

We track 17 individual reforms across seven governance reform areas: SOE governance reform, public services, sound finances, private sector reforms, electoral reform, local government and structure of government.



➤ Looking ahead – Q2 2026 milestones

High certainty deliverables:

- Transport Economic Council commencement: April 2026
- NWRIA Bill presidential signature: Q2 2026
- NWRIA board appointments: Q2 2026
- National Water Action Plan: Q2 2026
- Sawem internal launch: June 2026
- NTCSA market operator licence conditions: Q2 2026
- TSO implementation task team report to president: May 2026
- Public Service Amendment Bill and Public Administration Management Amendment Bill enactment: Achieved 1 April 2026 (post-review period)

Overdue/delayed deliverables:

- Network Statement Volume 4: overdue (targeted Feb 2026)
- TNPA corporatisation ministerial approval: pending
- Gas Master Plan to Cabinet: delayed from March 2026
- Title deeds backlog analysis: due March 2026

Likely deliverables:

- RFP for TSO transaction and legal advisers: May 2026
- Short-haul rail operations commencement: April 2026
- Ngqura Manganese Ore Export Terminal RFQ: April 2026
- Richards Bay Dry Bulk Terminal RFP: mid-2026
- Demand-side housing subsidy pilot implementation: April 2026
- Gautrain new concessionaire finalisation: within 6 months of March 2026
- Sawem market code approval: H2 2026

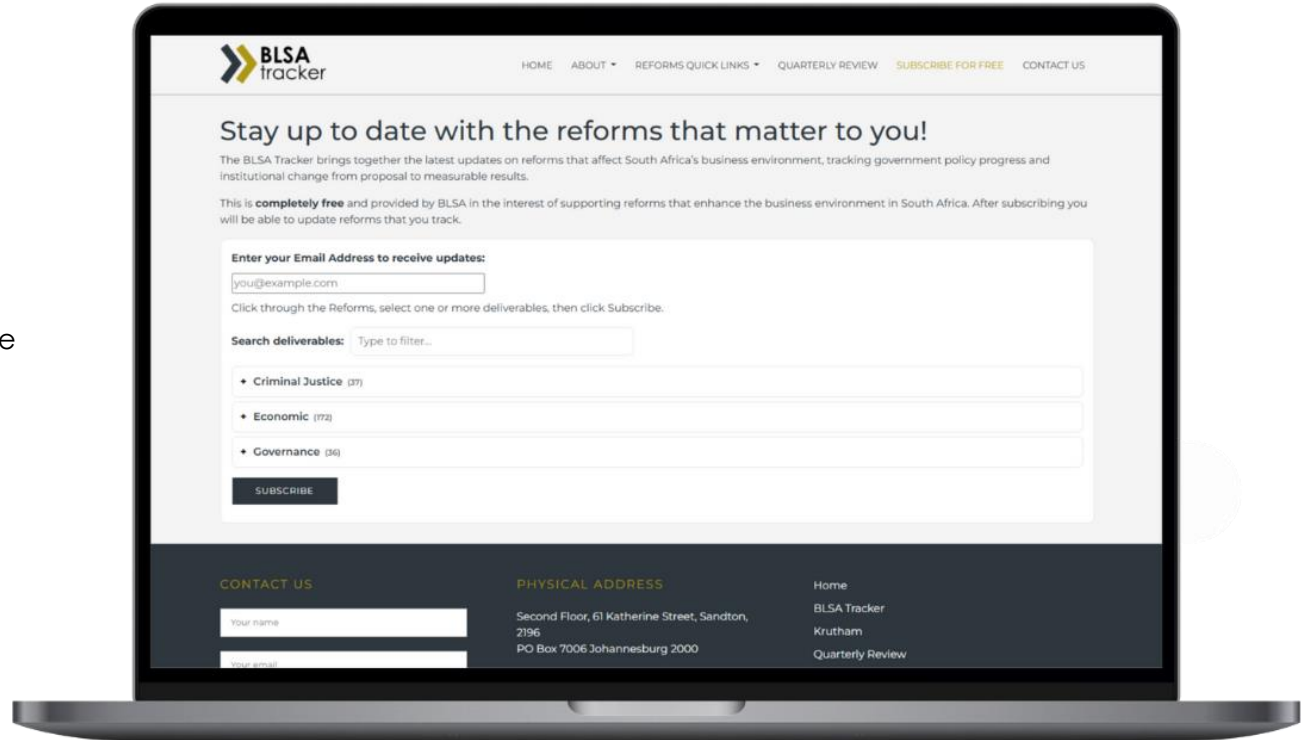
➤ Download the Quarterly Review for all the details



<https://tracker.blsa.org.za/quarterly-review/>

➤ New functionality: subscribe to follow reforms

- Users will now be able to track reforms in real time
- Select reform areas or individual deliverables to track
- You will get email alerts every time there is an update to a tracked deliverable
- You can update the reforms you track at any time
- Completely free service



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