



Quarterly Review

Analysis of South Africa's reform progress

July – September 2026

> Overall trajectory

The completion index rebounded to 72.5, up from 71.3 last quarter and 28.4% above the March 2024 baseline. It is the highest reading since tracking began.

Category performance (Apr-Jun 2026 – Jul-Sep 2026)

Economic (74.6% weighting)	71.91 → 73.61 (+2.4%)
Criminal Justice (10.5% weighting)	84.21 → 84.53 (+0.4%)
Governance (14.9% weighting)	55.03 → 54.60 (-0.8%)

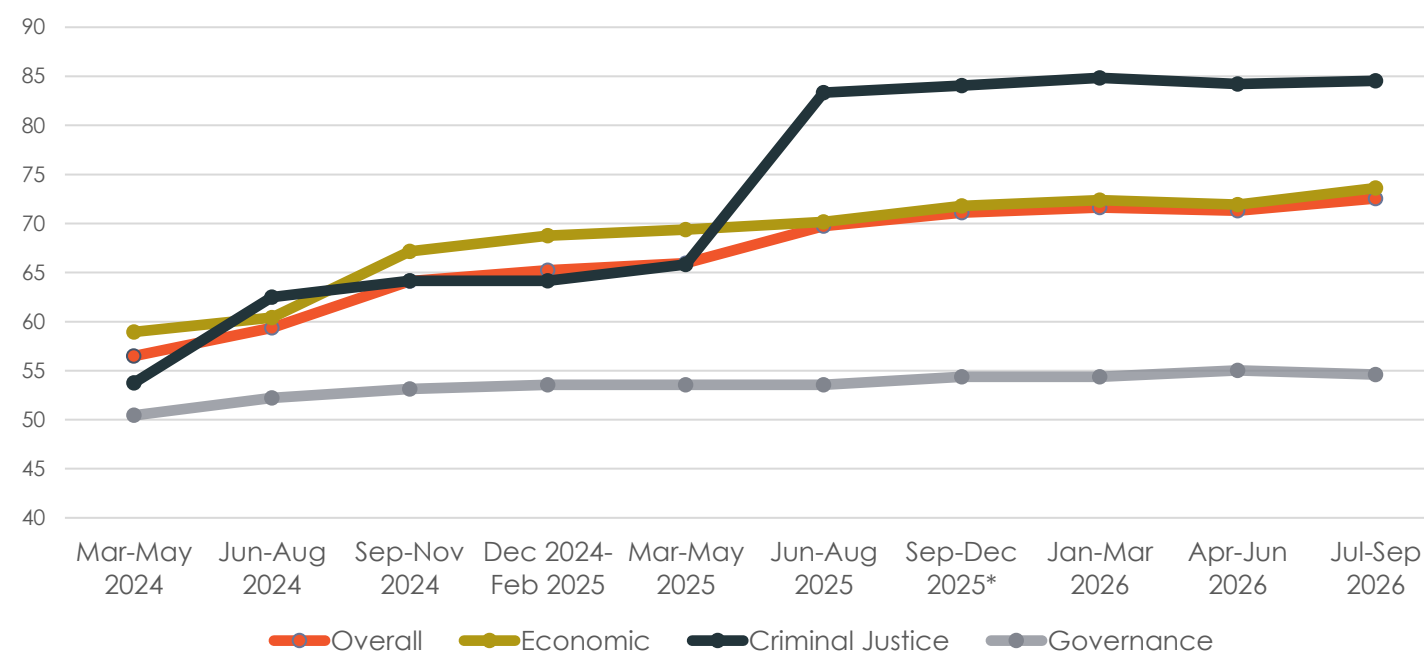
Positive developments

Establish a zero-rated platform for access to government information (digital transformation)	50 → 90 (+40)
Finalise the Network Statement (freight logistics)	62.5 → 87.5 (+25)

Negative developments

Public Procurement Act (sound finances)	87.5 → 50 (-37.5)
COFI Bill (financial sector reforms)	87.5 → 75 (-12.5)

Main reform area completion index



Indexation compares like with like: each quarter's change uses only deliverables scored in both quarters, so completed, halted and new reforms do not distort progress.

Weightings are based on each pillar's share of the 181 deliverables scored in Jul-Sep 2026; * Sep-Dec 2025 was a four-month period as opposed to quarterly timeframes for other periods.

> Reform Tracker – Q3 Overview

Completion index rebounds as momentum turns positive

- ✓ The July-September 2026 main reform completion index rose from 71.3 to 72.5, its highest reading since tracking began in March 2024. It is 28.4% above its starting point.
- ✓ Quarter-on-quarter momentum turned positive again, moving from -0.4% to +1.7%, the strongest reading since the Sep-Dec 2025 period (+2.0%).
- ✓ Of the 179 like-for-like deliverables tracked, 40 changed: 33 advanced and seven declined, against 17 advanced and 20 declined in the previous quarter.
- ✓ Economic reforms, which carry the largest weighting (74.6%), rose from 71.9 to 73.6 (+2.4%) as 30 of 133 like-for-like deliverables advanced and six declined. The electricity reform area score rose from 67.8 to 69.4.
- ✓ Criminal Justice remains the highest-scoring category at 84.5 (+0.4%); one deliverable moved, the Criminal Procedure Bill (50 → 55).
- ✗ Governance remains the laggard, falling from 55.0 to 54.6 (-0.8%), its first decline, after the Public Procurement Act score fell from 87.5 to 50 when the Constitutional Court declared the act invalid.
- ✓ Two deliverables were added to the tracker (“electricity reform paper” and “revise electricity pricing policy”).

Electricity (67.8 to 69.4)

- Eskom passed 470 days without load shedding by August 2026, after reaching 365 days on 16 May; the pathway to a higher energy availability factor rose from 93.75 to 96.25.
- The NTCSA cleared its backlog on curtailment payments on 31 August, as promised, lifting the curtailment protocol from 75 to 81.25.
- Virtual wheeling protocols fell 5 points to 76.25, a second consecutive decline: trading rules are delayed again, now to end-October.
- Municipal debt to Eskom is above R119bn; the debt workout strategy has been escalated to the Eskom restructuring task team (62.5 → 65).
- The President endorsed the task team’s phase 1 report on separating transmission from Eskom (full NTCSA unbundling: 75 → 77.5).
- Overall, eight electricity deliverables advanced.

> Momentum turns positive

Overall RMI: -0.4% → +1.7%

Momentum returned positive after declining for the previous three periods and is now on the highest reading since Sep-Dec 2025's +2.0%.

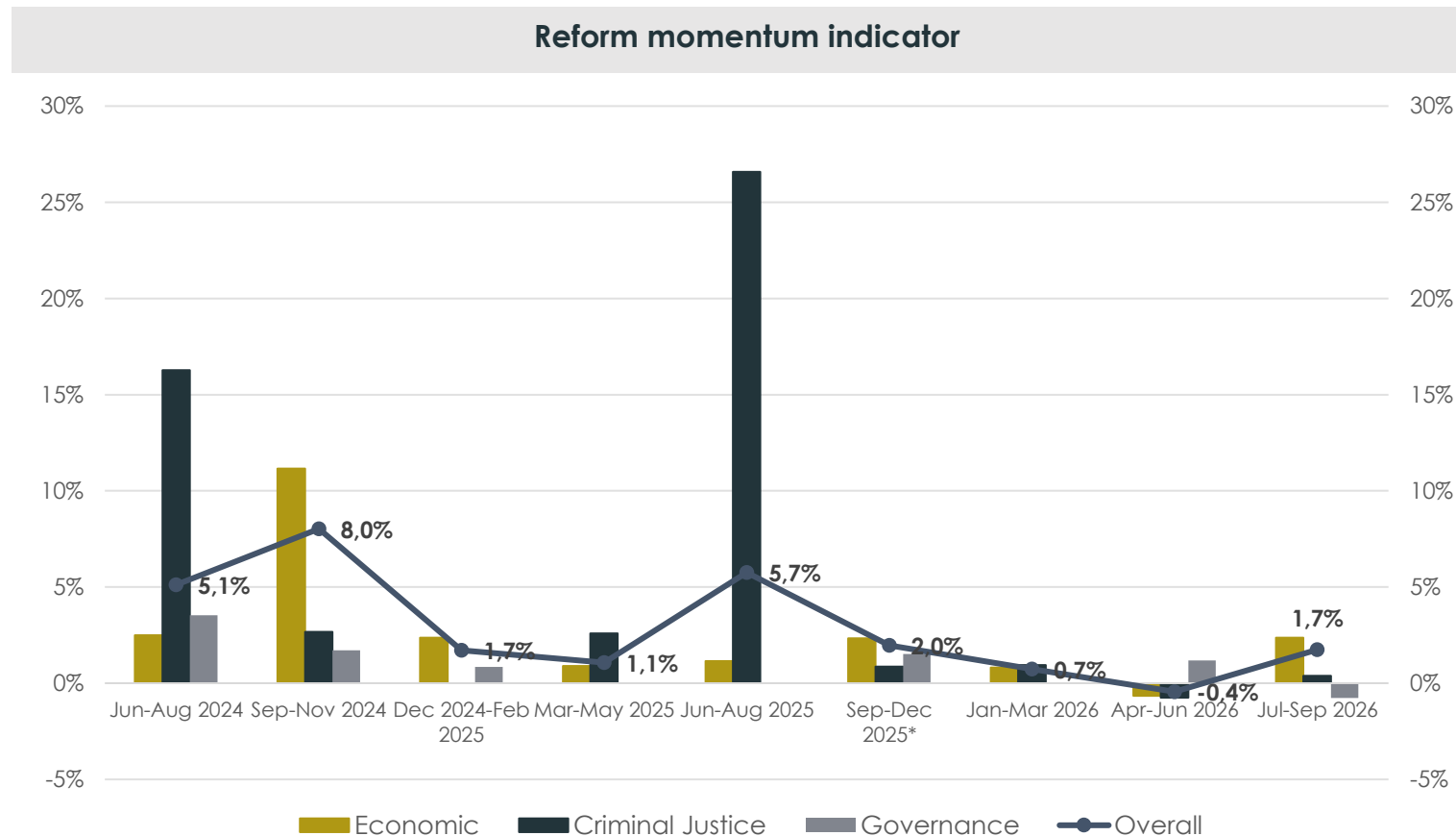
Underlying movements

Individual reforms (101 tracked)

- 29 advanced
- 5 declined
- 67 unchanged

Individual deliverables (179 like for like)

- 33 improved
- 7 declined
- 139 unchanged



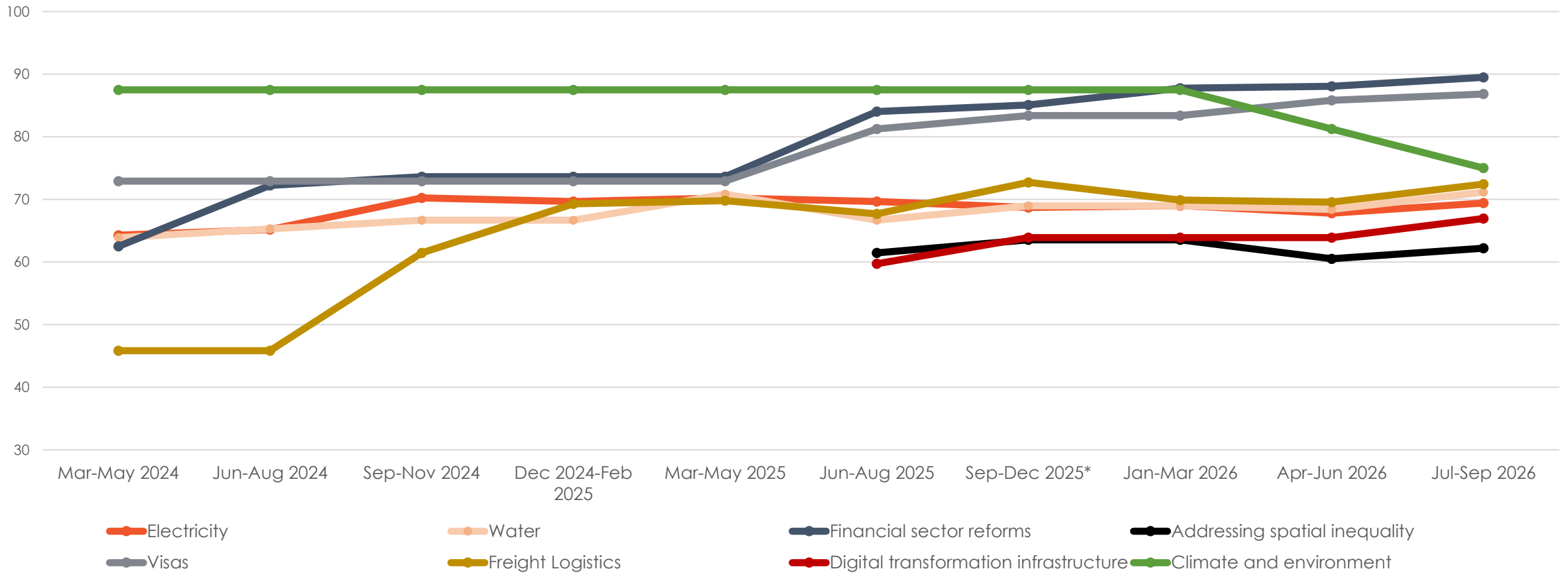
Reform momentum measures the rate of change of reforms' progress to completion, quarter on quarter, on a like-for-like basis. * Sep-Dec 2025 was a four-month period.



Economic reforms

Economic reforms completion index

Seven of 14 economic reform areas improved; climate and environment was the only one to fall





Economic reforms

133 like-for-like deliverables tracked across 14 reform areas: 30 advanced, 6 declined, 97 unchanged

Advanced

Digital transformation: 63.9 → 66.9 (+4.8%)

Zero-rated gov.za platform in operation: 50 → 90

Freight logistics: 69.6 → 72.5 (+4.2%)

Network Statement Version 4 and Rail Access Agreement gazetted on 18 September (62.5 → 87.5); port concessioning 75 → 80; TNPA corporatisation 62.5 → 70 after Cabinet supported its separation on 23 September.

Water: 68.4 → 71.1 (+4.0%)

National Water Action Plan published on 23 July (50 → 62.5); Watercom structure to oversee its implementation 37.5 → 55.

Addressing spatial inequality: 60.5 → 62.2 (+2.8%)

Title deeds backlog sized at 1,000,856 properties (50 → 62.5); land release regulations 62.5 → 70.

Electricity: 67.8 → 69.4 (+2.4%)

Eight deliverables advanced, led by REIPPPP BW8 (0 → 18.75) as government focuses on a mega bid window

Other energy: 60.0 → 61.3 (+2.1%)

Integrated Energy Plan 37.5 → 43.75 as SA National Energy Development Institute and UCT gather and validate data.

Financial sector reforms: 88.1 → 89.5 (+1.6%)

Six deliverables rose (average score: 87.5 → 95) on the draft Crypto Assets Manual, JIBAR conversion progress, the SARB taking over PASA's payment role and a new FSCA standard.

Visas: 85.8 → 86.8 (+1.2%)

Trusted employer scheme phase 2 launched on 20 July (87.5 → 95); ETA system 90.75 → 91.25.

Declined

Climate and environment: 81.25 → 75.0 (-7.7%).

The Climate Change Bill enacted deliverable was marked down because some regulations are still due: the carbon budget regulations missed their June 2026 deadline.

Deliverables that declined, within broader reform areas that increased:

COFI Bill (financial sector reforms), 87.5 → 75.

Not tabled in Parliament more than four months after the April explanatory summary.

Virtual wheeling protocols (electricity), 81.25 → 76.25.

Trading rules delayed again, now to end-October.

Independent infrastructure manager (freight logistics), 62.5 → 56.25.

Still an interim structure; National Rail Bill not yet tabled.

Public property audit (spatial inequality), 81.25 → 78.75.

Land asset registry and dashboard for priority public land, targeted for June 2026, delayed to October 2026

> Criminal justice reforms

A quiet quarter: one deliverable moved

11 individual reforms tracked across seven reform areas.

Individual-reform level: 1 advanced, 0 declined, 10 unchanged.

Reform-area index (chart)

Institutional reform edged up (+0.9%): 80.3 → 81.0

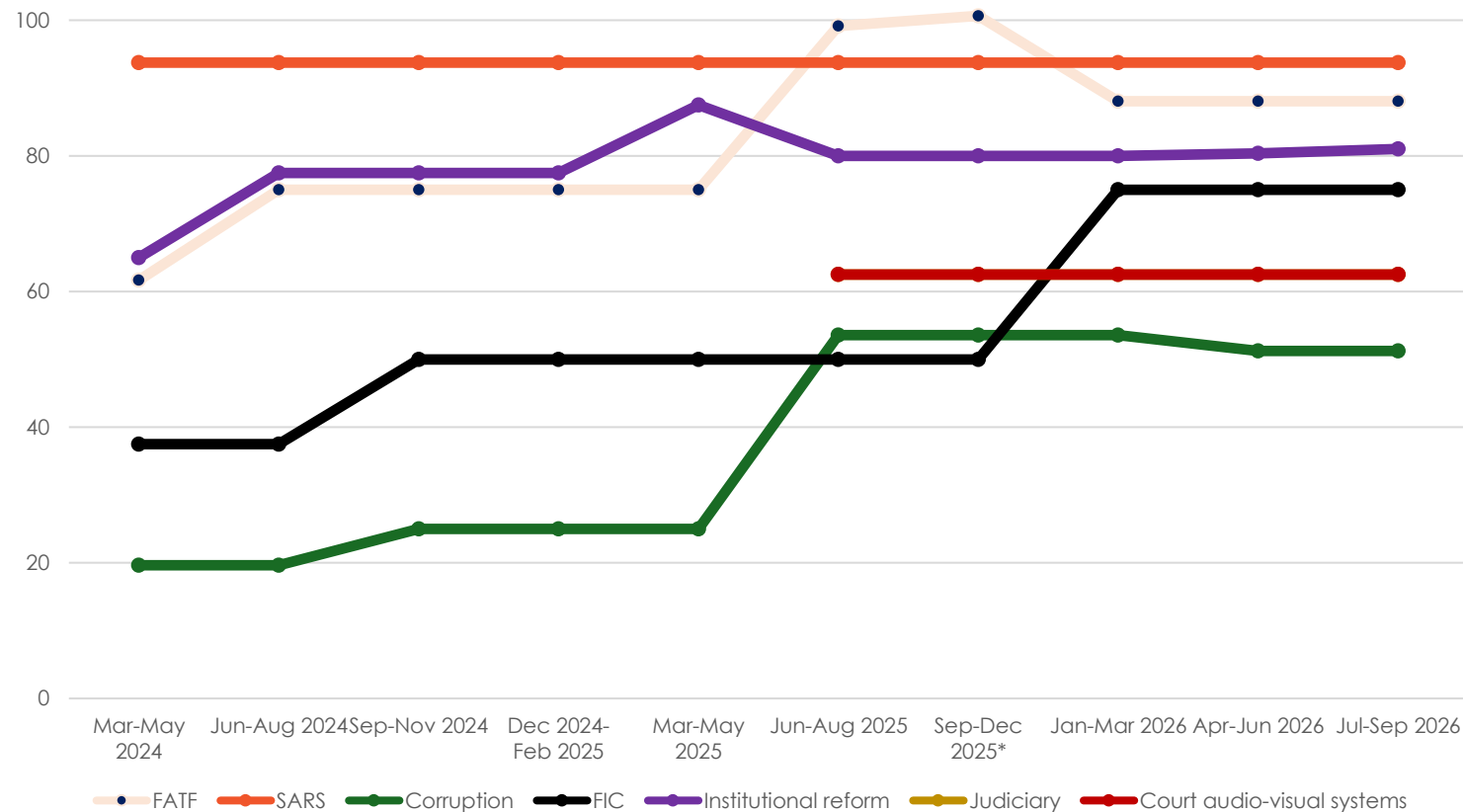
Criminal Procedure Bill (judiciary): 50 → 55. The SA Law Reform Commission is reviewing the Criminal Procedure Act of 1977 and has published discussion papers; written submissions were due by 2 October 2026.

Future focus (corruption reforms: unchanged at 51.2):

While there was no movement in this quarter, risks lie ahead if this continues. SA is being re-assessed by the FATF and Treasury adviser Ismail Momoniat, who led the drive to get SA removed from the grey list last year, sees a “significant risk” of a return to the grey list. In particular, he says the country is vulnerable in terms of its anti-corruption measures. This will be exacerbated by the Madlanga commission exposing deep-rooted criminality within the SAPS. The Tracker will incorporate and track Deputy Chief Justice Mbuyiseli Madlanga's recommendations once published.

(See *BLSA Tracker Quarterly Review* for full article.)

Criminal justice reforms completion index



> Governance reforms

Governance slipped for the first time: 55.0 → 54.6 (-0.8%)

15 individual reforms tracked across six reform areas.
Individual-reform level: 2 advanced, 1 declined, 12 unchanged.

Reform area index (chart)

Public services (+2.6%) and local government (+3.3%) advanced; sound finances fell from 87.5 to 50; the rest were flat.

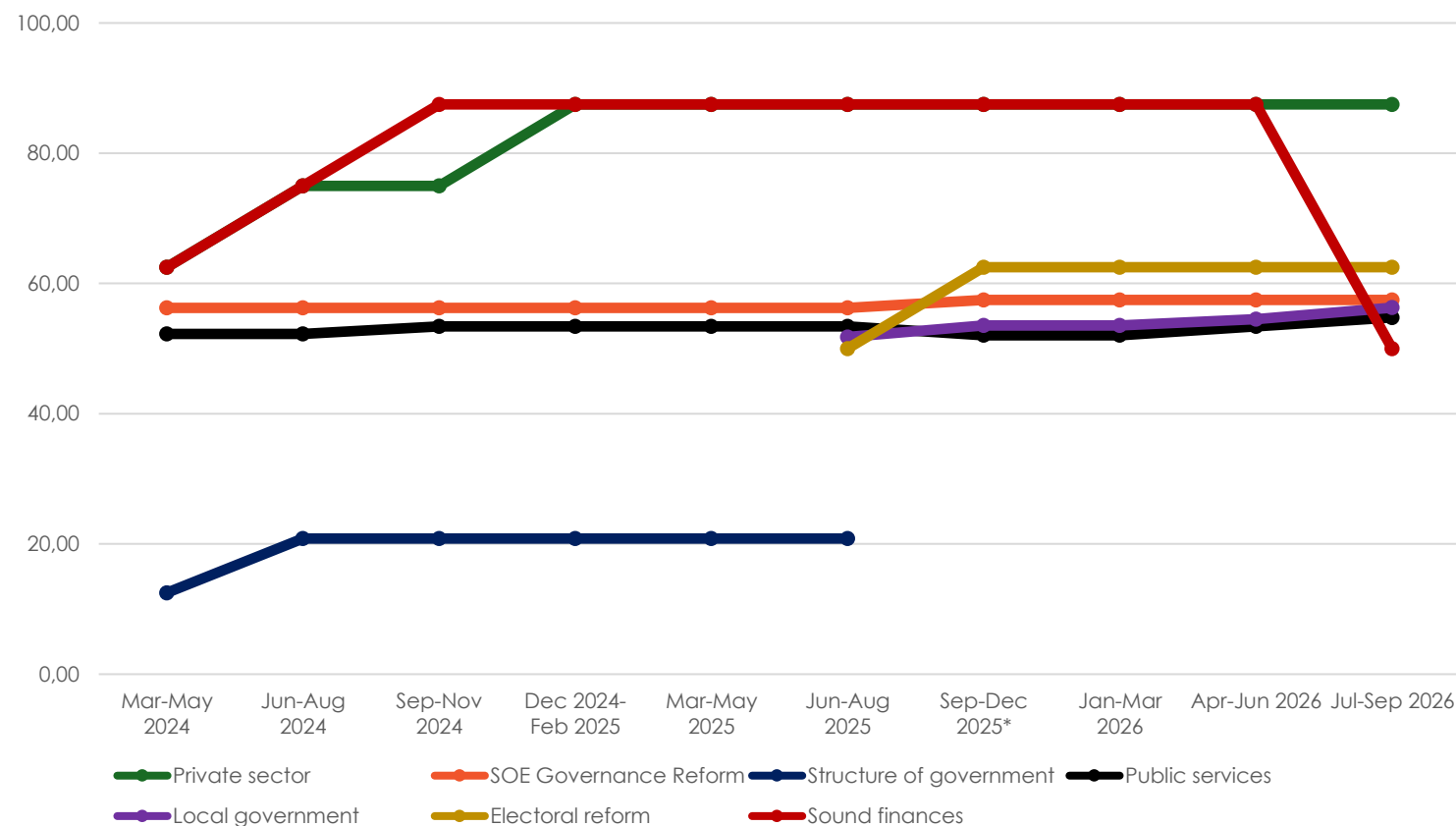
Public Procurement Act: 87.5 → 50 (-37.5)

The only deliverable in sound finances, in September 2026, the Constitutional Court declared the act unconstitutional and invalid, as Parliament did not facilitate meaningful public participation at the NCOP stage. National Treasury must table a new bill.

Two deliverables rose 62.5 → 75 (+12.5 each)

1. The Presidency now has a director-general as head of public administration (Public Service Amendment Act, enacted in April 2026).
2. Public Service Commission oversight extended to local government (Public Service Commission Act, signed on 15 September 2026).

Governance reforms completion index



> Looking ahead – Q4 2026 milestones

Expected deliverables

- SARB standalone **Synthetic Financial Centre** (SFC) directive: this was promised for end-May 2026; we now anticipate a directive after the upcoming MTBPS on 21 October 2026
- **National Rail Bill** to Cabinet: now targeted for October 2026 (originally end-2025, then postponed)
- **Electricity Pricing Policy** and the **electricity market transformation position paper**: comments close on 28 October; the pricing policy then goes to Nedlac and Cabinet
- **Independent Transmission Project** request for proposals: originally due in Q3 2026, is now expected in Q2 2027, with the second draft going to bidders in Q4 2026. The credit guarantee vehicle still needs its Prudential Authority licence.
- **JIBAR-to-ZARONIA**: CME dress-rehearsal conversion on 7 October; primary conversion event for cleared ZAR JIBAR swaps on 20 November; final JIBAR publication on 31 December
- **NTCSA unbundling**: detailed phase 2 implementation plan due by December 2026
- **Integrated Energy Plan**: data-validation workshop was held in early October
- **Port concessioning**: at least six further port tenders close between October 2026 and February 2027
- **Criminal Procedure Act** review: written submissions to the SA Law Reform Commission due by 2 October 2026

> BLSA member survey

Krutham conducted a survey of BLSA members from 23 July to 26 August 2026 on the impact of reforms and received 26 responses from 10 sectors. Overall reform sentiment is cautiously positive – but they believe implementation remains the major obstacle to faster progress.

Municipal inefficiencies and a lack of expertise in government departments are the main obstacles cited, followed by political interference and resistance to change.

Forward-looking sentiment is positive:

~64%

of members expect reform impact to be "somewhat positive" and "highly positive".

Electricity has widest exposure

69%

Said they their businesses were most exposed to energy security, followed by the regulatory environment (62%) and water infrastructure (38%).

Business-government collaboration

23%

State they have noted tangible operational changes from business-government collaboration

Reform pace shapes capital allocation

48%

say reform progress has influenced their investment decisions – 28% as a catalyst and 20% as an inhibitor. A further 24% see no effect.

Slow pace, brighter outlook: Members see reform movement as being slow; however positive sentiment rose from 50% for the past six months to over 60% for the next six.

Implementation is the issue. Operational blockages and state capacity are the main issues blocking reform progress, with each drawing 31% of responses, followed by political interference (27%).

Business-government collaboration valued. 65% see "some progress", up from 60% in the previous survey, and 23% had noted "specific changes" resulting from the collaboration, while 23% see it as a "talk shop".

Investment influence slightly positive. Members say reform progress or lack thereof is a mild catalyst (28%) for investment decisions; 20% say it inhibits investments; and 28% do not use the Tracker in investment decisions.

Members want faster delivery. Faster execution (43%) and government accountability (23%) make up two-thirds of what members would change; only 4% want a new national vision.

For full survey report, see www.tracker.blsa.org.za

Download the Quarterly Review for all the details **STILL TO UPDATE**



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