

AFRICA RISK CONSULTING

South Africa Monthly Briefing March 2024

South Africa Summary 26 March 2024

Two recent surveys released in March indicate that the opposition uMkhonto we Sizwe Party (MKP), which is backed by former president Jacob Zuma (2009-2018), is on track to be a major disrupting force in the upcoming 29 May general election. National Assembly speaker Nosiviwe Mapisa-Nqakula is set to be arrested on corruption charges after a 19 March raid of her home. South Africa's economic indicators continue to be concerning, with the latest Statistics South Africa (StatsSA) figures showing on 5 March that the economy only grew by 0.6% of GDP in 2023. This is partly due to the ongoing electricity supply crisis which is expected to persist, as highlighted in the German technical association VGBE's recent report.

Zuma-backed party set to disrupt the general election

Political newcomer, the **uMkhonto we Sizwe Party (MKP)**, appears set to upset the political landscape ahead of the 29 May general election. MKP, which former president **Jacob Zuma** (2009-2018) backs, was formally registered in September 2023 but only became widely known after Zuma declared his support for the party in December.¹ Since then, it has become clear that the MKP is a vehicle primarily focused on restoring Zuma's political power. MKP party leaders have called for Zuma's face to appear next to the party on the ballot and stated that it will ensure Zuma is returned to the presidency, despite this being constitutionally prohibited.

Although initially dismissed as a political sideshow, two recent polling surveys have indicated that the MKP may be on track to emerge as a major political player, especially in **KwaZulu-Natal (KZN)** province. The first of these surveys was released on 8 March and conducted by the research firm **SABI Strategy** in February on behalf of the **Brenthurst Foundation** think tank.² This poll shows that if the elections had taken place in February, the MKP would have secured 13% of the national vote leapfrogging the **Economic Freedom Fighters (EFF)** to become South Africa's third-largest political party. More importantly, the Brenthurst Foundation survey found that the MKP is currently leading polling in KZN with 25% of respondents in that province claiming that they intend to vote for the party compared with 20% for the ruling **African National Congress (ANC)**, and 19% for both the **Democratic Alliance (DA)** and the **Inkatha Freedom Party (IFP)**.

The second survey was released on 16 March and was conducted by the research firm **Markdata** on behalf of the **ENCA** news channel.³ Notably, this survey was almost twice as large as the Brenthurst Foundation poll and involved over 3,000 face-to-face interviews. The ENCA poll found that if the election were held at the start of March, 10.9% of voters would support the MKP and the Zuma-backed party would be the fourth-largest party in the **National Assembly**. Importantly, the ENCA poll also found that the MKP is on track to be the largest party in KZN with 35.6% of the vote followed by the IFP at 20.9%, the DA at 13.6%, and the ANC at 13.1%. Such an outcome would mark a spectacular collapse of the ANC's support in the province where it currently governs with a majority.

Both the ENCA and Brenthurst Foundation polls suggest that the MKP is on track to be a major player both in KZN and nationally, with the Brenthurst Foundation survey indicating that the MKP and EFF would potentially be able to form a coalition government in the province. The two parties have both indicated that they are open to working with one another.

¹ News24, 18 Mar 2024

² Brenthurst Foundation, 8 Mar 2024

³ Politiicsweb, 17 Mar 2024

The rise of the MKP is significant as the aforementioned two polls are the latest in a series of such surveys which indicate that the ANC will lose its governing majority in the next election, which will force the formation of a coalition government. Notably, the opposition **Multi-Party Charter (MPC)** alliance – ostensibly formed to oust the ANC – is unlikely to work with either the EFF or MKP. Zuma is intensely unpopular with the MPC’s supporters and as such, if the ANC’s support falls to 39% or 41.4% respectively indicated by the two surveys it will need to partner with the EFF, MKP, or a member of the MKP to stay in power. Both the EFF and MKP have an open antipathy towards President **Cyril Ramaphosa** (2018-present) and will likely refuse to work with the ANC unless it dumps Ramaphosa. Zuma has essentially stated this was his objective when he claimed the MKP was formed to rescue the ANC.⁴

It should be noted that the MKP’s growing support has also been underscored by recent by-elections where MKP candidates have displayed strong support – albeit not enough to win the by-election itself. The most noteworthy of these was the 28 February by-election in Ward 4 of the **Govan Mbeki Municipality in Mpumalanga** province.⁵ The MKP candidate won 28% of the votes in the election placing second behind the ANC. This was particularly significant as it confirmed that the MKP is attracting support in **Zulu**-speaking areas outside of its KZN strongholds.

The ANC is cognisant of the threat posed by the MKP, especially in KZN. As such, the ruling party approached the electoral court on 19 March to have the MKP removed from the ballot claiming that the new party’s registration was unlawful and irregular as its name and logo are closely affiliated with the ANC and thus violate South Africa’s political party regulations.⁶ The electoral court dismissed the case on 26 March, adding to the ANC’s concerns.

Worryingly, the MKP threatened to embark on violent protests reminiscent of the July 2021 unrest instigated by Zuma’s arrest on contempt of court charges if they were struck from the ballot.⁷ Threatening violence has become a common theme at MKP events with senior members even threatening to instigate unrest if the party does not win a two-thirds majority on 29 May.⁸ These threats were less concerning when the MKP looked set to be another minor provincial party but the recent surveys suggesting it is attracting significant levels of support has increased the magnitude of the threat of political violence posed by this new party.

Speaker of the National Assembly to be charged with corruption

In another development likely to further undermine the ANC’s electoral support, senior party member and National Assembly speaker **Nosiviwe Mapisa-Nqakula** is set to be arrested on corruption charges. This was revealed after officers from the **National Prosecuting Authority’s (NPA) Investigating Directorate (ID)** raided Mapisa-Nqakula’s **Johannesburg** home on 19 March.⁹ Officers were reportedly searching for evidence related to allegations that Mapisa-Nqakula solicited approximately R4.5m (\$238,143) in bribes from a former **South African National Defence Force (SANDF)** contractor between 2016 and 2019 during her tenure as defence minister (2014-2021).¹⁰ Prosecutors reported that R2.5m (\$132,280) of this was paid to Mapisa-Nqakula over 11 separate payments. It has since been revealed that the SANDF contractor has turned state’s witness leading to the NPA’s confidence in its case against the speaker.

Mapisa-Nqakula has denied these allegations and accused the ID of political persecution, even approaching the **Gauteng** high court to interdict the ID from arresting her. This matter was heard on 25 March and judgement is expected on 2 April. The court documents filed by the NPA opposing Mapisa-Nqakula's application revealed that prosecutors are intending to charge her with 12 counts of

⁴ News24, 6 Jan 2024.

⁵ News24, 29 Feb 2024

⁶ News24, 19 Mar 2024

⁷ TimesLive, 14 Mar 2024

⁸ Dail Maverick, 5 Mar 2024.

⁹ Daily Maverick, 19 Mar 2024

¹⁰ M&G, 25 Mar 2024

corruption and one of money laundering relating to these alleged bribes. The NPA believes it has a strong case and will likely push hard to proceed with arresting and charging Mapisa-Nqakula. The prosecutor's office has been under pressure to target high-profile figures implicated in corruption and, as such, will likely take a muscular approach to this matter.

Notably, this will likely mean that the matter remains in the public eye over the coming week causing further reputational harm to the ANC. The ruling party has repeatedly been accused of harbouring corrupt figures within its ranks and the arrest of a senior figure such as Mapisa-Nqakula, who is also the third-highest-ranked official in government, will be a major embarrassment to the party. Additional focus will also be placed on the case since Mapisa-Nqakula was elevated to the speakership despite being embroiled in several scandals during her tenure as defence minister, including using an SANDF plane to illegally smuggle a **Burundian** national into the country (who was reportedly a friend of her sons) and commandeering a military plane to transport an ANC party delegation to **Zimbabwe**.¹¹

Opposition parties have also sought to capitalise on this, most notably the DA, which tabled a motion of no confidence in the speaker on 22 March.¹² Acting National Assembly speaker **Lechesa Tsenoli** on 26 March acceded to the DA's request. This has forced the ANC into an unfortunate position - if it seeks to quash the debate it will be accused of protecting a corruption-accused figure but if it allows the debate it will enable the matter to gain more traction during the election period. Ironically, the party's best outcome will be for Mapisa-Nqakula to be formally charged as she will then be compelled to resign under the party's so-called 'step aside' rule.

Latest economic indicators highlight economic stagnation

The latest economic indicators have also harmed the ANC's effort to portray a record of recent economic success. **Statistics South Africa's (StatsSA)** latest figures, released on 5 March, show South Africa's economy only grew by 0.1% of GDP in the fourth quarter (Q4) of 2023 which brought economic growth for the entirety of 2023 to 0.6%.¹³ Notably, this follows a decrease of 0.2% of GDP in Q3 which meant that South Africa avoided a technical recession – two or more consecutive quarters of GDP contractions. Annual GDP growth of 0.6% is little more than a rounding error and essentially means that the South African economy remained flat last year, and if inflation is accounted for, the country arguably experienced an economic contraction in real terms.

South Africa's economic situation is unlikely to improve in the near term. Official unemployment remains at a high 32.1% and structural challenges such as persistent electricity and water supply disruptions, and congestion at the country's ports are continuing. These compounding economic challenges were largely the reason why the **Rand Merchant Bank (RMB)/Bureau for Economic Research (BER) Business Confidence Index** fell to 30 points in Q1 2024 from 31 points in Q4 2023.

The economy is also struggling under comparatively high interest rates - 8.25% - which is suppressing credit in the market and harming investment and consumer spending.¹⁴ Yet, the **South African Reserve Bank's (SARB) Monetary Policy Committee (MPC)** is not expected to cut interest rates in the near future after inflation increased to 5.6% in February from 5.3% in January.¹⁵ This is the upper end of the SARB's target band of between 3% and 6% inflation.

Expert report underscores power utility' structural challenges

Arguably the most pressing of these economic concerns is the continued electricity supply crisis in the country, colloquially referred to as load shedding. This crisis does not appear to be set to end in the coming months despite repeated statements by the government to the contrary. A recent report by a group of experts from the **German** technical association **VGBE** highlighted the scale of this

¹¹ Business Day, 24 Mar 2024

¹² TimesLive, 22 Mar 2024

¹³ StatsSA, 5 Mar 2024

¹⁴ News24, 1 Mar 2024

¹⁵ CNBC Africa, 20 Mar 2024

challenge.¹⁶ National treasury commissioned the report, titled ‘Independent Assessment of Eskom’s Operational Situation’, to assess the scale of Eskom’s operation challenges. The group of experts made damning findings in their report finding that a root cause of the electricity crisis is that Eskom’s management system is “*dysfunctional and too complex*”.¹⁷ Specifically, there are too many organisational layers and opaque decision-making processes; too many decision-making committees; too little authority is given to plant managers; insufficient focus on operation and maintenance (O&M) at Eskom’s plants; and a complicated procurement policy which undermines plant performance and results in process bottlenecks.

The report also criticised the government’s preoccupation with using **Energy Availability Factor (EAF)** noting that this has resulted in worse performance over the long term as it has led plants to sacrifice maintenance and repairs. The VGBE experts believe that up to six stages of load shedding can be avoided if Eskom focuses on “*fixing the plants’ defects and applying prudent operation and maintenance practice*”.¹⁸ The experts have also warned that South Africa needs to risk higher rates of load shedding in the short-to-medium term to take the necessary steps required to address the deeper structural issues and salvage the power plant fleet as a whole.

It is unclear if the government will act on the report’s recommendations; however, it is clear that the country’s energy crisis will persist in the coming years. This is a concern as load shedding is a major impediment to investment and operations in South Africa. Firms operating in the country will need to continue to ensure they have some form of independent power supply to ensure uninterrupted operations.

Planner

29 May 2024 (**South Africa**) General election

2025 (**South Africa**) G20 Summit

Chronology

24 Mar 2024 **Johannesburg (South Africa)** *News24*. Ruling **African National Congress (ANC)** treasurer-general **Gwen Ramokgopa** dismisses reports that the ANC is in financial trouble and claims that the ruling party is on strong financial ground;

23 Mar 2024 **Johannesburg (South Africa)** *Daily Maverick*. Opposition party **ActionSA** launches its manifesto ahead of the 29 May general election in which it will contest in all nine provinces;

23 Mar 2024 **Johannesburg (South Africa)** *M&G*. The **Asset Forfeiture Unit (AFU)** secures two orders to seize the property of corruption-accused former executives from the state-owned power utility **Eskom** to the value at R33m (\$1.74m);

23 Mar 2024 **Kimberley (South Africa)** *SABC News*. Opposition party **Economic Freedom Fighters (EFF)** launches its **Northern Cape** provincial manifesto in Kimberley;

20 Mar 2024 **Pretoria (South Africa)** *Daily Maverick*. The **Department of Public Service and Administration** confirms that public servants will receive a 4.7% wage increase from April as per the 2023 wage agreement with unions;

20 Mar 2024 **Washington D.C. (United States)** *Daily Maverick*. The foreign affairs committee of the United States (US) **House of Representatives** passes a draft bill calling for a comprehensive review of US-**South Africa** relations;

¹⁶ News24, 1 Mar 2024

¹⁷ Daily Maverick, 1 Mar 2024.

¹⁸ News24, 1 Mar 2024

20 Mar 2024 **Pietermaritzburg (South Africa)** *Daily Maverick*. **KwaZulu-Natal (KZN)** high court dismisses former president **Jacob Zuma**'s latest bid to remove prosecutor **Billy Downer** from his corruption case;

20 Mar 2024 **Johannesburg (South Africa)** *News24*. **First National Bank (FNB)** reveals that it complied with a court order to freeze all outgoing payments from accounts belonging to former president **Jacob Zuma**. This is related to the ongoing liquidation of **VBS Mutual Bank** to which Zuma owes R6m (\$320,000);

18 Mar 2024 **Musina (South Africa)** *SA News*. South Africa and **Zimbabwe** sign a water sharing agreement enabling Zimbabwe's **Beitbridge Water Treatment Works** to supply South Africa's **Musina** municipality;

16 Mar 2024 **Nongoma (South Africa)** *EWN*. At least 16 people are injured in clashes between ruling **African National Congress (ANC)** and **Inkatha Freedom Party (IFP)** supporters at a **Zulu** cultural event in **Nongoma** ;

14 Mar 2024 **Newcastle (South Africa)** *Daily Maverick*. The opposition **Inkatha Freedom Party (IFP)** wins three by-elections in **Newcastle (Kwa-Zulu Natal** province) including winning two wards that had previously been held by the ruling **African National Congress (ANC)**;

12 Mar 2024 **Pretoria (South Africa)** *DIRCO*. President **Cyril Ramaphosa** hosts **Ghanaian** president **Nana Akufo-Addo** for the **South Africa-Ghana Bi-National Commission**;

12 Mar 2024 **Pretoria (South Africa)** *EWN*. The **Electoral Commission (IEC)** dismisses an employee who leaked the **African National Congress (ANC)** and **uMkhonto weSizwe Party (MKP)** candidate lists on 8 March;

10 Mar 2024 **Durban (South Africa)** *News24*. The opposition **Inkatha Freedom Party (IFP)** launches its election manifesto at Durban's **Moses Mabhida Stadium**;

8 Mar 2024 **Pretoria (South Africa)** *EWN*. Public enterprises minister **Pravin Gordhan** announces that he will retire from politics at the end of the government's term on 29 May;

8 Mar 2024 **Pretoria (South Africa)** *SABC News*. The deadline passes for political parties and independent candidates to submit their candidate lists and nomination forms;

6 Mar 2024 **Durban (South Africa)** *News24*. The ruling **African National Congress (ANC)** files a lawsuit with the **Kwa-Zulu Natal** high court to force the **uMkhonto weSizwe Party (MKP)** to pay damages and royalties for using logos and symbols claimed by the ANC;

6 Mar 2024 **Pretoria (South Africa)** *The Presidency*. South Africa approaches the **International Court of Justice (ICJ)** with an urgent application for measures to prevent famine in **Gaza** amid the ongoing war there;

5 Mar 2024 **Johannesburg (South Africa)** *BBC*. Former cabinet minister **Nathi Nhleko** publicly resigns from the ruling **African National Congress (ANC)** following a public spat with ANC secretary-general **Fikile Mbalula** who mocked Nhleko's defence of state expenditure on former president **Jacob Zuma**'s home in 2015;

4 Mar 2024 **Johannesburg (South Africa)** *News24*. Opposition **Economic Freedom Fighters** leader **Julius Malema** indicates that he would consider forming a post-election coalition with the **uMkhonto weSizwe Party (MKP)**;

1 Mar 2024 **Johannesburg (South Africa)** *Daily Maverick*. The recently formed opposition party, **Change Starts Now (CSN)**, announces that it will not contest the upcoming general election apparently due to difficulties securing the necessary signatures;

29 Feb 2024 **Pretoria (South Africa)** *IEC*. The latest **Political Funding Declarations Report** is released which reveals that **Rise Mzansi** and **ActionSA** recorded the largest amount of donations during the third quarter of the 2023/2024 financial year;

28 Feb 2024 **Pretoria (South Africa)** *SA News*. The **Department of Home Affairs** launches a one-stop shop for business applications;

27 Feb 2024 **Pretoria (South Africa)** *Daily Maverick*. The **Department of Labour** orders the closure of the **South African Police Service (SAPS)** headquarters located at Pretoria's **Telkom Towers North** building after finding them unsafe;

27 Feb 2024 **Cape Town (South Africa)** *EWN*. **Electoral Commission (IEC)** officials warn **Parliament** that further budget cuts would endanger its ability to organise the upcoming general election.

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