

AFRICA RISK CONSULTING

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South Africa Summary 30 March 2026

The country's second-largest party, the Democratic Alliance (DA), is set to hold its national elective conference, which is expected to elect Cape Town Mayor Geordin Hill-Lewis as the party's new leader. The effects of the ongoing war in the Middle East threatens South Africa's economic recovery, which is set to lead to a major increase in fuel prices from 1 April. National Prosecuting Authority's (NPA) Independent Directorate Against Corruption (IDAC) arrests numerous senior police officers on charges including fraud, corruption and contravening the Public Financial Management Act (PFMA) as part of an investigation into an allegedly corrupt tender. The NPA further confirms that it will soon charge national police commissioner Fanie Masemola with transgressing the PFMA.

Major political party to hold elective conference

The country's second-largest political party and second-largest member of the **Government of National Unity (GNU)** coalition, the **Democratic Alliance (DA)**, is set to [hold](#) its national elective conference on 11 and 12 April. The outcome of this election could have connotations for the national government as well.

The DA's conference gained greater importance after the party's incumbent federal leader, **John Steenhuisen**, announced in February that it would no longer contest re-election (*see ARC Briefing South Africa Feb 2026*). Steenhuisen had been expected to easily win a new term as a leader and was even potentially facing an uncontested election. His withdrawal has injected a level of uncertainty into the race. However, in the intervening weeks, the party's main powerbrokers and leaders have merged around **Cape Town (Western Cape Province)** mayor **Geordin Hill-Lewis**, who [announced](#) his intention to contest the election on 27 February.

The DA [announced](#) on 24 March the various candidates contesting the elective conference, which revealed that Hill-Lewis is only facing a single challenger, **Sibusiso Dyonase**, a councillor in **Gauteng Province's Sedibeng District Municipality**. Dyonase is a politically unknown figure on the national stage and does not have a meaningful constituency within the DA. As such, he will largely draw support from delegates who are opposed to Hill-Lewis and have no other alternatives. Hill-Lewis is virtually assured of being the DA's next federal leader and leading the party into the upcoming local government elections.

The DA's other leadership positions will be more fiercely contested, particularly the race to replace former party leader **Helen Zille** as party federal chairperson. This position is being contested by the Western Cape MEC for agriculture, economic development, and tourism, **Ivan Meyer** and the DA's Gauteng provincial leader, **Solly Msimanga**. The outcome of this contest is particularly significant as it could determine the DA's strategic outlook. Msimanga is more likely to push the party to adopt a more national-focused approach, whereas Meyer's election is more likely to ensure that the DA retains its primary focus on the Western Cape. Should both Hill-Lewis and Meyer emerge triumphant, the DA's Western Cape contingent will remain the dominant force of the party, centralising party power in the province, and increase the risk of a narrower outlook that could harm the party's national election ambitions. Regardless, the election of either Meyer or Msimanga will be significant as it will mark the first time the party's topmost administrative position is occupied by a person of colour. This will help counter the DA's persistent public image problems around race.

It should also be noted that the upcoming elective conference potentially marks a generational shift within the DA. Established party apparatchiks like Zille and Steenhuisen will no longer be part of the party's formal party leadership. In addition to figures such as 39-year-old Hill-Lewis and the 45-year-old Msimanga, several younger rising politicians are running for the federal council. These include basic education minister **Siviwe Gwarube** (36), communications minister **Solly Malatsi** (40), and former **Tshwane** mayor **Cilliers Brink** (38), who are among the seven people contesting the three available deputy federal chairperson positions.

Middle East war threatens South Africa's economic recovery

Statistics South Africa (StatsSA) [revealed](#) on 10 March that South Africa's economy grew by 0.4% in the fourth quarter (Q4) of 2025, marking the fifth consecutive quarter of positive economic growth and meaning South Africa's annual GDP growth for 2025 was around 1.1%. Although this is meagre it indicates that the economy is growing consistently and that the long-promised economic recovery is underway, especially given finance minister **Enoch Godongwana's** upbeat budget speech in February, and the **South African Reserve Bank's (SARB)** (central bank) [announcement](#) on 12 March that the country had recorded its first current account surplus in over two years. However, this positive economic sentiment has been aggressively undercut by concerns that the ongoing war in the **Persian Gulf** will inflict an external shock that will derail South Africa's tentative economic recovery.

The **United States (US)** and **Israel** [launched](#) a joint attack on Iran on 28 February, instigating a new war in the Persian Gulf. Iran responded to this assault by seeking to impose global economic pressure on the US; it has done this by leveraging its strategic geographical position to effectively shut down traffic through the **Strait of Hormuz** and to attack regional states that host US bases, including **Qatar, Saudi Arabia, and Kuwait**. Iran has further targeted oil and gas sector facilities in these countries. Consequently, oil and gas production and exports in the Persian Gulf have been severely disrupted, leading to a sharp rise in oil prices. The [cost](#) of Brent crude oil increased from \$72.29 a barrel on 27 February to \$114.19 on 23 March; as of 27 March, it was trading at \$110.

South Africa imports all its oil and is thus highly exposed to the externalities of energy markets. Although the country's largest suppliers of crude oil are in **West Africa**, South Africa still imports significant volumes of refined petroleum products (and crude oil) from Persian Gulf states. Compounding this, **India** - another one of South Africa's major refined fuel suppliers - has [imposed](#) a tax on fuel exports as part of its own effort to protect itself from the impacts of the energy crisis. All this is exacerbated by the fact that the war has driven emerging market currencies such as the rand to depreciate against the US dollar. On 27 March, the rand was trading at R17.13/\$ down from \$15.91/\$ on 27 February.

This dependence on imported refined fuels is a function of underinvestment and caretaking in the oil and gas sector, which has resulted in three of the country's six refineries [shutting down](#) operations since 2020, undercutting energy security and independence and will exacerbate the negative effects of the current energy crisis.

The first major impact will be a sharp increase in fuel prices on 1 April. Failing any last-minute government intervention, such as subsidies or fuel tax cuts, fuel prices will increase by between R5.50 (\$0.32) and R11.63 (\$0.68) a litre. The latest available **Central Energy Fund (CEF)** data shows the current rate of cost under recovery will require petrol to increase by between R5.32 (\$0.31) and R5.82 (\$0.34) depending on octane type; diesel will increase by R10.13 (\$0.59) and R10.27 (\$0.60) (depending on sulphur content), while paraffin is on track to be increased by R11.63 (\$0.68). Such steep fuel price increases will have ramifications across the economy, leading to a general increase in prices and inflationary pressure across the economy. The fact that this crisis is a global one means that global inflation is expected to increase, and South Africa will face higher maritime and import costs.

The increase in diesel costs is particularly concerning, given the dependence on this fuel source. Diesel is essential to South Africa's agriculture, mining, manufacturing, and logistics sectors. **Eskom**,

the state-owned power utility, also relies heavily on diesel generators to compensate for any production shortfalls or generator breakdowns. Expectations that fuel prices will increase as the war in Iran continues will lead to a rise in panic-buying and hoarding, which will increase the risk of countrywide fuel shortages.

Any spike in consumer price inflation or a global economic shock will threaten South Africa's economic recovery. The fact that the country is set to experience both has increased the odds that the economic growth will be suppressed in the coming months, and a recession cannot be discounted.

The situation is particularly concerning in the longer term. South Africa imports the bulk of its fertiliser, much of it from countries such as Saudi Arabia, Qatar, and Oman (many fertilisers are produced as byproducts of oil and gas production). The war disrupted fertiliser production in these countries, leading to a global shortage in fertilisers. If the war persists for several more weeks, this shortage will impact the spring sowing, negatively impacting the country's agriculture sector and food security.

South Africa began the year with a sense of improving economic sentiment with a strengthening national fiscus driven by a booming resource sector. The war on Iran has undercut this sentiment and raised concerns that 2026 may turn out to be a year of economic pain instead of one of recovery.

Investigators arrest numerous senior police officers

The **National Prosecuting Authority's (NPA) Independent Directorate Against Corruption (IDAC)** [arrested](#) 12 senior police officers in a coordinated operation on 24 March after being implicated in an allegedly irregularly awarded tender awarded by the **South African Police Service (SAPS)** to a company called **Medicare 24**, which is owned by the suspected crime boss **Vusimusi "Cat" Matlala**. The arrested officers face charges of corruption, fraud, money laundering, and contravening the **Public Financial Management Act (PFMA)**.

Matlala is allegedly one of the so-called 'Big 5' crime bosses in South Africa, and his influence within the SAPS has been a central theme in the ongoing **Judicial Commission of Inquiry into Criminality, Political Interference, and Corruption in the Criminal Justice System (Madlanga Commission)**. On 25 March, Matlala [appeared](#) alongside the 12 officers before the **Pretoria** magistrate's court; notably, Matlala is already being held in detention as he is on trial for attempted murder. The officers involved are nearly all members of the SAPS's bid evaluation committee that oversees the awarding of tenders and include a major general, six brigadiers, four colonels and a captain.

On 25 March, the NPA also [revealed](#) that it would soon also charge SAPS national commissioner **Fannie Masemola** in this matter for contravening the PFMA. He has received a summons to appear in court on 21 April when he is expected to be formally charged for his role in awarding the tender. Masemola is the country's seniormost police officer, and his impending arrest underscores the extent to which SAPS has allegedly been infiltrated by criminal interests and the service's loss of public standing. Once he is charged, it will be untenable for Masemola to remain as national commissioner, due to both the reputational damage and the potential of a conflict of interest.

President **Cyril Ramaphosa** (2018-present) is under pressure to suspend Masemola before he is arraigned and appoint an acting police commissioner. This would result in a scenario in which both the offices of the police commissioner and the police minister are held by acting incumbents; Ramaphosa appointed acting police minister **Firoz Cachalia** in July last year after **KwaZulu-Natal (KZN)** provincial police commissioner **Nhlanhla Mkhwanazi** accused police minister **Senzo Mchunu** of being captured by criminal interests (*see ARC Briefing South Africa Jul 2025*). Specifically, Mkhwanazi claimed that Mchunu was protecting Matlala. Mkhwanazi's allegations precipitated the creation of the Madlanga Commission.

The fact that IDAC acted to arrest 12 senior police officers and will soon charge the SAPS national commissioner indicates that the directorate believes that it has a strong evidence-backed case against

these figures. IDAC is believed to be still working on this case, and [local reports](#) claim that four of the 12 officers who were arrested have turned state's evidence which will further strengthen the case against the remaining defendants. The NPA is expected to focus on securing convictions against Matlala and the most senior SAPS officers. The revelations related to this case and the testimony before the Madlanga Commission have revealed that the SAPS senior leadership has clear connections with criminal elements, which undermines the police's crime-fighting ability. This latest development is a major positive step in the battle against corruption and state capture in South Africa.

Planner

11-12 Apr 2026 **(South Africa) Democratic Alliance** elective congress;
Nov 2026 – Jan 2027 **(South Africa)** Local government elections;

Chronology

26 Mar 2026 **Pretoria (South Africa) News24. South African Reserve Bank (SARB)** (central bank) **Monetary Policy Committee** elects to retain the main interest rate (repo rate) at 6.75%;

26 Mar 2026 **Pretoria (South Africa) News24.** The presidency reveals that **France** rescinded President **Cyril Ramaphosa's** (2018-present) invitation to the G7 summit in June, citing sustained pressure from the **United States (US)**;

25 Mar 2026 **Durban (South Africa) EWN.** Opposition **ActionSA** leader **Herman Mashaba** reiterates his call for the mass deportation of undocumented foreign nationals;

14 Mar 2026 **Johannesburg (South Africa) TimesLive.** The **African National Congress (ANC) Regional Executive Committee (REC)** announces its intention to recall mayor **Dada Morero** from office pending the approval of the party's national leadership;

13 Mar 2026 **Cape Town (South Africa) News24.** State-owned **Passenger Rail Agency of South Africa (PRASA)** announces an internal investigation into allegations that criminal gangs are benefiting from tenders related to a rail project;

13 Mar 2026 **Cape Town (South Africa) ENCA.** President **Cyril Ramaphosa** informs **Parliament** that he approves the deployment of 2,200 soldiers to crime hotspots in the **Gauteng, Western Cape, Eastern Cape, Free State** and **North West** provinces to assist police in combatting gangsterism and illegal mining;

12 Mar 2026 **Durban (South Africa) News24.** Opposition **uMkhonto weSizwe Party (MKP)** leader, former president **Jacob Zuma**, replaces the party's secretary-general for the seventh time since the party was founded in December 2023;

11 Mar 2026 **Johannesburg (South Africa) Daily Maverick.** Major General **Richard Shibiri**, the head of the police's organised crime unit, admits to accepting a R70,000 (\$4,110) loan from suspected crime boss **Vusimuzi "Cat" Matlala** despite knowing Matlala was under criminal investigation;

11 Mar 2026 **Johannesburg (South Africa) EWN.** The **Electoral Commission of South Africa (IEC)** raises concerns about the challenges created by the growing length of the election ballot after the number of registered political parties reaches 508;

11 Mar 2026 **Pretoria (South Africa) News24.** Health minister **Aaron Motsoaledi** suspends health department director-general, **Sandile Buthelezi**, after police arrested Buthelezi alongside two other senior department officials on fraud and theft charges on 2 March;

11 Mar 2026 **Pretoria (South Africa) News24.** The **Department of International Relations and Cooperation (DIRCO)** demarches the new **United States (US)** ambassador to South Africa, **Leo Brent Bozell III**, after Bozell denigrated South Africa's courts;

10 Mar 2026 **Pretoria (South Africa)** *EWN*. The **Electoral Commission of South Africa (IEC)** raises concerns about the rise of political and electoral disinformation fuelled by artificial intelligence (AI) products;

9 Mar 2026 **Brasilia (Brazil)** *News24*. President **Cyril Ramaphosa** conducts a two-day official visit to Brazil during which he meets his Brazilian counterpart, **Lula da Silva**;

9 Mar 2026 **Pretoria (South Africa)** *EWN*. President **Cyril Ramaphosa** extends the deadline for the **Judicial Commission of Inquiry into Criminality, Political Interference, and Corruption in the Criminal Justice System (Madlanga Commission)** from 17 March to 31 August;

7 Mar 2026 **Johannesburg (South Africa)** *EWN*. The state-owned electricity utility, **Eskom**, launches legal proceedings against 14 municipalities over unpaid arrears totalling over R62 billion (\$3.64 billion);

5 Mar 2026 **Cape Town (South Africa)** *EWN*. Acting police minister **Firoz Cachalia** announces plans to create an interim governance council tasked with restoring credibility in the police;

5 Mar 2026 **Johannesburg (South Africa)** *EWN*. The Gauteng high court sentences former **African National Congress (ANC)** member of parliament (MP) **Vincent Smith** to seven years in prison for corruption in one of the highest-profile state capture-related convictions to date.

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