



TUTWA NEWSLETTER

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Abstract

The year is almost ending but the pace of the political and economic agenda is not slowing down. A lot has happened in the economic policy space, domestically, in the region and globally

Dear Reader,

The year is almost ending but the pace of the political and economic agenda is not slowing down. A lot has happened in the economic policy space, domestically, in the region and globally. Expectations of President Ramaphosa remain high but he has continued a moderate path based on consensus. There has been more summitry, speeches and the announcement of the Economic Advisory Council, including Tutwa's own Dr Mzukisi Qobo. How we grapple with the opportunities and challenges of the fourth industrial revolution is a common theme in the President's engagements and the Department of Communications is in the process of appointing a secretariat to drive this agenda within the government.

Early November will see the second South African investment conference taking place against a backdrop of ongoing struggles with low levels of employment, a slowing global economy and trade uncertainties.

The mid-term budget presented by Finance Minister Mboweni did not offer much hope or clear strategy that investors will be able to grab hold on, in the short term. Summits may be useful for drawing attention to an issue and making high profile announcements. However, they must be backed by strong state institutions tasked with investment promotion and facilitation. The low hanging fruit during the last investment summit was the issue of improving the efficiency around business visas. That matter has not been resolved and continues to hamper the expansion of activities by new and existing investors in South Africa.

Sources of optimism for South Africans are coming beyond our borders. The Springboks have made the final of Rugby World Cup in Japan and there are positive stories in our region. Botswana, Malawi and Mozambique held relatively peaceful elections. The passing of President Robert Mugabe offered the region space to reflect on his legacy in Zimbabwe.

Political stability is crucial for economic development and can't be underestimated when South Africa's economy is so strongly linked to its neighbours. With our partners in SACU and Mozambique, a rollover agreement on trade was concluded with the United Kingdom to avoid massive disruption in the event of a hard Brexit.

The African Continental Free Trade Agreement also continues to feature in our newsletter as members tackle the details of creating potentially the world's largest FTA. Infrastructure development, removing non-tariff barriers and developing an industrial base are some of the measures that African countries must take if the AfCFTA is to be effectively implemented.

Our experts have written on these topics, including the recently presented MTBPS and we hope you enjoy this edition of our newsletter. Your comments and thoughts are always welcome!

[The Forgotten African Trade Agreement](#)

The attention of trade negotiators has been concentrated on progressing the African Continental Free Trade Agreement (AfCFTA) over the last two years. This mega arrangement is not an easy undertaking. It has been billed to create the largest free trade area in the world but is, in reality, a complex web of bilateral and regional negotiations that will supplement existing ...

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[SACU + M Explained](#)

Some of you may have noticed that the recently signed trade agreement between the United Kingdom and the region includes the acronym 'SACU + M'. This is a pertinent time to remind ourselves about the most important and often overlooked economic partnership that South Africa has – SACU. Who is SACU? The Southern African Customs Union is the world's oldest ...

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[Minister Mboweni Delivers the Mini Budget Speech: Case of a Blinking Hatchet Man](#)

Finance Minister Tito Mboweni presented his mini-budget speech on the 30th of October 2019. The mini-budget is essentially a report that reviews the economic situation from a fiscal and monetary policy perspective, done through a budgetary lens. The speech is aimed at preparing the country and economy for the main budget speech that ...

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[Understanding Constitutional underpinnings of the NHI](#)

A lot has been written about the pros and cons of the NHI, especially from an economic perspective. However, not much has been

done to locate the NHI within a broad constitutional framework. Our Senior Associate Azwimpheleli Langalanga, reflects on the socio politico-legal basis of the NHI'

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[Finding roles for groups at the bottom of the pyramid amidst the 4IR](#)

The Fourth Industrial Revolution (4IR) is a term that comes up inevitably during discussions about job losses; for instance, "Can you imagine what the unemployment rate will be when 4IR really takes hold?" We use 4IR terms like automation and the Internet of Things (IoT) to explain trends about how the nature of the economy is changing. It is sad ...

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