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DES FINANCES
ET DE LA SOUVERAINETÉ
INDUSTRIELLE ET NUMÉRIQUE
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# ECONOMIC WRAP-UP
# **Southern Africa**

A publication from the Pretoria Regional Economic Deparment
from November 10 to November 16, 2025

## *The 10 African countries with the highest (Table 1) and lowest (Table 2) fuel prices in November 2025, in USD*

| Pays | Prix (USD/liter) | Global rank |
|---|---|---|
| Malawi | 2,019 | 12th |
| République centrafricaine | 1,853 | 23rd |
| Sénégal | 1,747 | 32nd |
| Zimbabwe | 1,570 | 46th |
| Burkina Faso | 1,500 | 52nd |
| Cameroun | 1,482 | 53rd |
| Seychelles | 1,464 | 54th |
| Côte d'Ivoire | 1,447 | 57th |
| Kenya | 1,417 | 59th |
| Uganda | 1,391 | 64th |

| Pays | Prix (USD/liter) | Global rank |
|---|---|---|
| Lybie | 0,027 | 1st |
| Angola | 0,327 | 4th |
| Algérie | 0,352 | 6th |
| Egypte | 0,445 | 8th |
| Nigeria | 0,608 | 13th |
| Soudan | 0,700 | 20th |
| Ethiopie | 0,798 | 27th |
| Tunisie | 0,856 | 31st |
| Niger | 0,881 | 34th |
| Liberia | 0,890 | 35th |

Source : Business Insider Africa, according to figures from GlobalPetrolPrices.com

## Presentation of the South African budget for 2025/2026 financial year (South African National Treasury)

The mid-term budget (MTBPS) for the 2025/26 fiscal year was presented in a mixed economic context. GDP for 2025 has been revised downwards to 1.2% (compared with the 1.4% initially projected in the budget), reflecting logistical constraints, political uncertainty, and low consumer and business confidence. However, several positive factors support the economy: five cuts to the key interest rate since September 2024, relatively contained inflation, favorable terms of trade, and the country's removal from the FATF grey list.

The mid-term budget included several significant announcements, notably the reduction of the inflation target to 3% with a ±1 percentage point range (down from the previous 3–6% target), strengthened coordination with the central bank, and adherence to a fiscal consolidation trajectory despite the downward revision of 2025 GDP, supported by higher-than-expected tax revenues. The government also decided to reduce weekly Treasury bill issuances by ZAR 750 million and to mobilize an additional ZAR 31 billion from the GFECRA's resources.

Investment in infrastructure, in partnership with the private sector through PPPs, constitutes another major focus of the mid-term budget. Key milestones are planned for 2026: a municipal PPP framework, tenders for Transnet corridors, reform of municipal subsidies, and the creation of a Credit Guarantee Vehicle (CGV) to secure private investment in critical infrastructure such as transmission lines.

At the macroeconomic level, the government expects a key interest rate of 7% in 2025, 6.75% in 2026, and 6.25% in 2027. Tax revenues for 2025/26 have been revised upwards by ZAR 19.7 billion due to strong gold and platinum prices (with an additional expected contribution of around ZAR 35 billion). Net spending has increased by ZAR 11 billion, despite a reduction in debt-service costs (-ZAR 4.8 billion). The primary budget deficit is expected to decline slightly, from ZAR 361 billion to ZAR 352 billion, equivalent to 4.5% of GDP (compared with 4.6% in the initial budget).

Overall, the mid-term budget reflects an effort to consolidate public finances, accelerate infrastructure investment, and enhance private sector participation, in a context still marked by modest growth.

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- Mining and manufacturing output rose slightly despite a difficult economic environment (StatsSA)
- A ZAR 16 billion (EUR 925 million) loan from the World Bank to revitalise South Africa's major cities
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- Minister of Forestry, Fisheries and the Environment Dion George dismissed by President Ramaphosa

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- The EU and Zambia sign agreements worth €200 million to accelerate the development of the Lobito Corridor (ZNBC)

# South Africa

## Official unemployment rate falls to 31.9% in the third quarter *(StatsSA)*

According to the latest Statistics South Africa (StatSA) publication on the labor market, 248,000 jobs were created in the third quarter of 2025, bringing the total number of employed people to 17.1 million, while the number of unemployed fell by 360,000, reaching 8.0 million. Employment growth was recorded in six of the ten main sectors, with the largest increases observed in construction (+130,000 jobs, or +10.3% compared to the previous quarter), community and social services (+116,000, +3.0%), and trade (+108,000, +3.0%). Conversely, employment declines were seen in manufacturing (-62,000, -3.7%), finance (-54,000, -1.8%), public administration (-30,000, -21.6%), and transport (-3,000, -0.2%).

According to Statistics South Africa, the country's official unemployment rate fell to 31.9% in the third quarter of 2025, down from 33.2% in the previous quarter. For reference, South Africa's economic growth slightly accelerated in the second quarter (+0.8% year-on-year), supported by improvements in electricity supply and the easing of logistical bottlenecks.

## Mining and manufacturing output rises slightly despite difficult economic conditions *(StatsSA)*

According to the national statistics agency (StatsSA), mining production increased by 1.2% in September compared to the same period last year. This rise was mainly driven by platinum group metals (PGMs) (+3.8%, contributing 1.1 percentage points), gold (+5.9%, contributing 0.6 points), and coal (+1.5%, contributing 0.4 points). Conversely, the main negative contributors were manganese ore (-7.0%, contributing -0.5 points) and iron ore (-2.2%, contributing -0.3 points).

Meanwhile, manufacturing output grew by 0.3% compared to the same period last year, reflecting modest growth in an otherwise strained industrial landscape. The main positive contributions came from the "motor vehicles, parts and accessories" category, as well as "other transport equipment" (+7.6%, contributing 0.5 percentage points), and the "food and beverages" sector (+1.8%, also contributing 0.5 points).

Despite this overall improvement, broader indicators, such as the Purchasing Managers' Index (PMI) and business activity indices, continue to signal a challenging operating environment in the short term, suggesting that the recovery will depend on stronger demand and an easing of structural constraints.

## A ZAR 16 billion (EUR 925 million) loan from the World Bank to revitalise South Africa's major cities *(news24)*

The World Bank has approved a ZAR 16 billion loan (approximately EUR 925 million) to finance the Metro Services Trading Program (MSTP), a six-year initiative aimed at improving the quality and resilience of municipal public services in eight major South African metros.

The MSTP seeks to address the crisis in municipal public services — including waste management, water, and electricity distribution — while strengthening municipalities' capacity to cope with climate-related shocks. It will also support the preparation of public-private partnerships for urban service delivery, as well as the implementation of governance and decision-making reforms. The program aims to enable large-scale investment projects in both the construction and maintenance of urban infrastructure, much of which is in a state of advanced decay.

The program covers the eight metropolitan areas of Johannesburg, Cape Town, Durban, Pretoria, Germiston, East London, Bloemfontein, and Gqeberha, which together account for 85% of the country's economic output and more than a third of its population.

This financing, provided by the International Bank for Reconstruction and Development (IBRD), will allow the South African Treasury to allocate additional resources to cities that meet their operational and financial performance targets. It is the World Bank's first program-for-results operation in South Africa.

### South Africa to host Africa's first large-scale titanium dioxide plant under a £75 million agreement with the AfDB *(Africa Sustainability Matters)*

The African Development Bank (AfDB) has approved a financing of USD 75 million for the South African company Nyanza Light Metals to build the first large-scale titanium dioxide ($TiO_2$) production plant in Africa, located in Richards Bay (KwaZulu-Natal).

The investment is part of a co-financing partnership that includes the Africa Finance Corporation (AFC), Afreximbank, and the Africa Growing Together Fund (AGTF), funded by the People's Bank of China (the central bank). The plant, situated in the Richards Bay Industrial Development Zone (RBIDZ), will have an annual capacity of 80,000 tonnes and is expected to become operational by 2030.

The project aims to locally process the abundant titanium ores from Mozambique, which are currently exported in raw form, in order to reduce the country's reliance on pigment imports (around USD 400 million per year) and to stimulate local industrialization.

The investment is expected to create 850 direct jobs and 2,400 temporary jobs during construction, with social inclusion targets (45% women, 30% youth). The project will also incorporate low-carbon technologies, in line with the AfDB's "High 5" priorities ("Industrialize Africa" and "Build Climate-Resilient Infrastructure").

The global titanium dioxide market, valued at USD 20 billion, remains dominated by China and Europe, while Africa, which holds around 30% of the world's mineral reserves, currently accounts for only a marginal share of oxide production (1%). This project thus illustrates the increasing local value addition in the mining value chain.

### Minister of Forestry, Fisheries and the Environment Dion George dismissed by President Ramaphosa *(TimesLIVE)*

On 12 November 2025, South African President Cyril Ramaphosa announced the departure of Dion George, the Minister of Forestry, Fisheries and the Environment. He will be replaced by the Democratic Alliance (DA) national spokesperson, Willem Aucamp. At the same time, the President appointed Alexandra Abrahams as the new Deputy Minister of Trade, Industry and Competition (DTIC), succeeding Andrew Whitfield (DA), who was dismissed in June for failing to comply with ministerial protocols.

These appointments bring the DA's presence in the government back to 12 members, matching its initial representation when the national unity government (GNU) was formed. This decision comes amid internal tensions within the DA: its leader, John Steenhuisen, had formally requested that George be reassigned as Deputy Minister of the DTIC, citing "insufficient performance" and a lack of connection with key stakeholders.

According to the government, Dion George's dismissal addresses these challenges, particularly regarding alleged shortcomings in his management of the portfolio and his ability to deliver visible results.

This reshuffle of the ministerial lineup comes at a critical moment, as South Africa seeks to strengthen its commitments to sustainable development and climate change mitigation, while the country is currently participating in the COP30 climate summit taking place in Belém, Brazil.

# Angola

## Disinflation without recovery: the limits of Angola's recovery

In October 2025, year-on-year inflation slowed to 17.4%, down from 18.2% in September. Although modest, this decline confirms the disinflationary trend that began in the third quarter of 2024, in a context of monetary tightening and intensified efforts to stabilize the exchange rate. On a month-on-month basis, consumer prices rose by 0.9%, a still-strong pace indicating that inflationary pressures remain far from under control.

The observed slowdown is mainly due to moderation in food prices and a certain easing in energy and transport costs, sectors particularly sensitive to fluctuations in the kwanza. Improvements in domestic supply, facilitated by better availability of imported goods and stability in the foreign exchange market, have also helped ease price pressures. However, increases remain significant in services, healthcare, and education, reflecting structural cost pressures, notably rising urban rents and public sector wages.

From a macroeconomic perspective, this development is an encouraging but still fragile signal. The slowdown in inflation reflects the delayed effect of the monetary tightening implemented by the National Bank of Angola (BNA) since early 2024, combined with a more prudent fiscal policy. Nevertheless, the effectiveness of this strategy remains limited by several factors: high dependence on imports, partial dollarization of the economy, and the vulnerability of the kwanza to any drop in oil prices. In a context of low growth and rising fiscal constraints, the trade-off between fighting inflation and supporting economic activity remains delicate.

On the social front, rising prices continue to erode household purchasing power, particularly for lower-income families whose nominal incomes are stagnating. The gap between statistical disinflation and the perception of prices remains significant, especially in major cities where food and rent absorb an increasing share of household budgets.

Overall, the October figures primarily reflect a temporary improvement, and numerous risks persist: a further depreciation of the kwanza, rising global energy prices, and fiscal tensions ahead of the 2027 electoral cycle.

## Angolan government launches second phase of public debt bond issue worth USD 300 million *(AMAN)*

The Angolan government, through the Ministry of Finance (MINFIN), has announced the launch of the second phase of its public debt securities issuance, with an amount of up to 300 million US dollars, as part of the sale of multi-currency Treasury bonds (OT-ME), which can be settled in either kwanzas or dollars.

According to a note from MINFIN, this operation is part of a resource mobilization strategy aimed at financing the State's general budget for 2025 and ensuring the continuation of the priority economic and social objectives set out in the finance law.

## Air France will transfer its operations to the new airport from 30 November *(Correio da Kianda)*

Air France has announced that it will transfer all of its flights to Dr. António Agostinho Neto International Airport (IATA: NBJ) starting from November 30. This new airport is located in the newly established province of Icolo e Bengo, approximately 42 kilometers from central Luanda, and features state-of-the-art infrastructure built to the highest international standards.

Air France currently operates four weekly flights between Paris-Charles de Gaulle (CDG) and Luanda, connecting Angola to its extensive global network and offering convenient connections to over 200 destinations worldwide. However, the number of weekly flights will be reduced to three from November 20.

It should be noted that, apart from the national carrier TAAG and Emirates, which already operate at the new airport, TAP and Lufthansa have also announced the upcoming transfer of all their operations to this airport.

### Shell returns to Angola and plans to invest in the exploration of 17 oil blocks

Shell officially marked its return to Angola in November 2025, after more than twenty years of absence, by signing an exclusive agreement with the National Agency for Petroleum, Gas and Biofuels (ANPG). The company has committed to participating in the exploration and development of 17 blocks, including blocks 19, 34, and 35, as well as 14 additional blocks in ultra-deep waters.

The agreement grants Shell a right of first negotiation with a view to the potential signing of production-sharing contracts. No operational timeline or finalized investment amount has been announced yet, although the media has mentioned an initial commitment of around USD 1 billion.

## Botswana

### President Duma Gideon Boko reaffirms Botswana's trajectory in his 2025 State of the Nation Address *(RMB)*

On Monday, President Duma Boko delivered the State of the Nation address under the theme “A Steady Path: Keeping Our Promise, Step by Step,” during which he outlined Botswana’s roadmap for inclusive growth and sustainable transformation. At the heart of his speech was the Botswana Economic Transformation Programme, which aims to achieve high-income country status by 2036 through export diversification, private sector-led growth, and job creation.

Among the key priorities, the President highlighted strengthening agriculture’s contribution to GDP, diversifying the mining sector beyond diamonds, accelerating renewable energy production, and modernizing infrastructure.

The proposed social reforms include implementing universal healthcare, child benefits, and modernizing the education system, with a focus on enhancing the teaching of science, technology, engineering, arts, and mathematics (STEAM), as well as technical and vocational education and training.

Digitalization, governance reforms, anti-corruption measures, environmental sustainability initiatives, and housing programs were also emphasized. Finally, the address reaffirmed Botswana’s commitment to democracy, security, and international partnerships, positioning the country on a path toward resilience and prosperity in line with Vision 2036.

### Lesego Moseki appointed Governor of the Bank of Botswana from February 2026 *(Africa Press)*

President Duma Boko has appointed Lesego Moseki as Governor of the Bank of Botswana, effective from 11 February 2026, according to a statement from the Presidency.
Mr. Moseki, currently Deputy Governor, will succeed Cornelius Dekop. This decision follows Mr. Dekop's expressed intention to step down.

## Namibie

### The Namibian government wishes to participate in the acquisition of De Beers *(Namibian Sun)*

The Namibian government has given its preliminary approval for the country to participate in acquiring a stake in De Beers Group, in collaboration with the governments of Botswana and Angola. The British-South African group Anglo American is selling its 85% stake in De Beers, valued at around 84 billion NAD (4.9 billion USD). Namibia is considering acquiring between 10% and 15% of De Beers, which would represent an investment of approximately 9.8 billion NAD (580 million USD) to 14.8 billion NAD (870 million USD).

With global diamond prices collapsing, partly due to competition from synthetic diamonds, such an investment would be a significant gamble. Southern African countries are relying on their ability to sustain long-term demand for natural diamonds by emphasizing the rarity of these stones.

### Annual inflation rises slightly to 3.6% in October *(NSA)*

According to the Namibia Statistics Agency, consumer prices rose by 3.6% in October year-on-year, compared with 3.5% in September. Inflation, which remains moderate, is mainly driven by rising prices in the housing and transport sectors. The main contributors to this increase are "housing, water, electricity, and fuel" (+4.1%, contributing +1.0 percentage point), "food" (+4.6%, contributing +0.9 percentage point), and "alcoholic beverages and tobacco" (+4.6%, contributing +0.6 percentage point). These results indicate a sustained inflationary trend for the rest of 2025, with the year-end rate expected to reach 4.0%, primarily due to the continued rise in housing-related costs. Conversely, some sectors are expected to experience less price pressure, notably thanks to favorable rainfall prospects, which should help contain food inflation.

## Zambie

### The Central Bank reduces its key interest rate to 14.25% *(Bank of Zambia)*

The Monetary Policy Committee of the Central Bank (Bank of Zambia) lowered its key interest rate by 25 basis points to 14.25% at its November meeting, citing a continued decline in inflation, supported by a stronger kwacha and falling maize prices. Inflation indeed fell to 11.9% year-on-year in October 2025 (down from 16.8% in February 2025), although it remained above the central bank's target range of 6–8%.

The institution slightly revised its average inflation forecast for 2025 upwards, now expected at 13.8% year-on-year (+0.5 points), due to a slowdown in the decline of food prices. In the medium term, forecasts (7.6% in 2026 and 6.6% in 2027) indicate a gradual convergence of inflation towards the target, supported by favorable weather conditions, higher copper revenues, and moderate oil prices.

## EU and Zambia sign agreements worth €200 million to accelerate development of Lobito corridor *(ZNBC)*

At the EU-Zambia Business Forum (12–14 November 2025), the European Union and Zambia signed ten financing agreements totaling €200 million to support the development strategy of the Lobito Corridor. The signing took place in the presence of President Hakainde Hichilema, under the framework of the Global Gateway initiative.

These agreements cover several key sectors. In railway transport, Zambia Railways will benefit from modernization with a contribution of ZMW 1.3 billion (nearly €50 million) aimed at improving freight efficiency and safety. In the water and energy sectors, over ZMW 1 billion (almost €38 million) will be invested to enhance water supply through solar-powered pumping systems and to improve energy efficiency in Solwezi, Ndola, and Chingola. Agriculture will receive €36 million to facilitate market access for small-scale producers and promote sustainable and resilient farming. In renewable energy, the development of the 32 MW Illute solar power plant in the Western Province is planned.

In terms of financing, the European Investment Bank (EIB) and the Zambia Industrial Commercial Bank will strengthen access to credit for agribusiness SMEs and smallholders. The mining sector will see a tripartite cooperation between the EU, Zambia, and Finland. Finally, education and governance will be supported through educational reforms, the promotion of human rights in raw materials, the green transition, and training in artisanal mining skills.

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