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**96<sup>th</sup> ANNUAL  
REPORT**

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SOUTH AFRICAN INSTITUTE  
OF RACE RELATIONS NPC

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# CHIEF EXECUTIVE'S REPORT TO MEMBERS FOR THE ANNUAL GENERAL MEETING OF MEMBERS OF THE IRR ON MONDAY 8 JUNE 2026

Mr President, Members of the IRR and Members of Council, I have the pleasure of presenting this report to you. The attached annual financial statements cover the financial year ended 31 December 2025. The narrative report focuses on developments in 2025, with some limited comments on developments in early 2026.

In last year's report I wrote of the African National Congress (ANC) that it was "in accelerated decline and we may be witnessing its *Götterdämmerung*".

Twelve months on, the evidence has hardened. In polling conducted by the IRR between 27 March and 3 April 2025, the Democratic Alliance (DA) edged past the ANC for the first time in our long history of measuring public opinion, with 30.3% against the ANC's 29.7%. Support for the DA among black registered voters more than tripled, from 5% to 18%.

While subsequent polling has found higher support levels for the ANC, the direction of travel is clear: South Africa's governing party, which entered 2024 on 57% and left it on 40%, now has a serious rival for the affections of the electorate it had grown accustomed to treating as its own.

The ANC's own intellectuals noticed. The party's 2024 annual report, published in 2025, used the word "crisis" more than twenty times, including to describe an "existential crisis of the ANC". Senzo Mchunu, a member of the National Executive Committee and former police minister, warned that the party was on the brink of collapse. Naledi Pandor, a veteran of the movement, said: "We have lost our glory. Let us not pretend otherwise. People look at us with contempt, horror and shame." Oscar Mabuyane, premier of the Eastern Cape and ANC chair in the province, said the party was fighting "for the survival of the movement". The Motlanthe commission report and the revelations emerging from the Madlanga commission added to the picture of an organisation struggling to hold itself together.

What triggered the shift in public opinion in March and April 2025 was a policy battle rather than a scandal. The ANC, through its finance minister, proposed raising the value-added tax rate. The DA, its coalition partner in the Government of National Unity (GNU), refused to accept the increase. After several weeks of high political drama, including legal challenges and public brinkmanship, the increase was dropped. The battle showed the ANC that the habits of single-party rule no longer worked in a coalition. And it showed the DA what it could win when it picked the right issue and held its ground.

## **A stable coalition, an unsteady economy**

The GNU survived the VAT fight and everything else 2025 threw at it. This is itself a considerable achievement. At the time of the last election many expected the coalition to fracture within months, and some predicted it would not last the year. Instead, a broadly pragmatic ten-party government has held together for more than eighteen months, and some of the gains flowing from its formation have endured. The rand has stabilised, bond yields have come down, South Africa exited the Financial Action Task Force grey list in October 2025, and business sentiment has improved from the low base at which it sat in mid-2024.

The harder news is that improved sentiment has not translated into meaningful economic growth. GDP grew by just 1.1% in 2025, barely better than the 0.5% recorded

in 2024 and still far below the rate at which unemployment can fall. Fixed investment remains stuck below 15% of GDP, against a global average of 26%. More than 8 million South Africans are out of work by the expanded definition. If you stood them in a line a metre apart, it would reach from the Union Buildings in Pretoria to the pyramids of Giza. Jobs have consistently polled as the top priority of South African voters, and the GNU has not yet delivered them.

The reason is not a mystery. The ANC, which still controls most of the ministries that matter for the economy, has continued to govern as if 2024 had not happened. Mr Ramaphosa reaffirmed in the course of the year that “we need to intensify the execution of the national democratic revolution”. The party’s August 2025 NEC statement declared: “Successive generations of party leaders have always affirmed that the route to socialism will traverse and be approached through the National democratic revolution.” In a document prepared ahead of its National General Council meeting, the ANC spoke of a choice between renewal and “the defeat of the revolution”. Its instinct under pressure is to double down, not to reform.

What the GNU has delivered, in place of reform, is a slow adoption of the language around growth. Ministers who would not have uttered the phrase “economic growth” three years ago now pay lip service to it. That is an improvement, even if it is only an improvement in tone. More substantively, the rhetoric of reform has begun to shift the range of what is politically sayable. This is an important signal because policy usually follows language by some distance.

### **The ANC’s dual risk**

The combination of a weakening ANC and a rising DA is, on the face of it, good news for those who want liberal reforms to take hold in South Africa. But it carries two important risks.

The first is that the ANC collapses too quickly. A party facing existential pressure looks for lifelines wherever it can find them, and there are elements inside the ANC that would rather ditch the DA and opt for an arrangement with the Economic Freedom Fighters (EFF) and uMkhonto weSizwe Party (MKP) than accept the compromises the GNU requires. A rapid slide below 30%, which is no longer an abstract possibility, could tip the internal balance in that direction. That would be the worst of all outcomes: a cornered liberation movement reaching for the most populist partners on offer to hold on to power, and abandoning the moderating discipline of coalition with a market-friendly opposition.

The second risk is on the other side of the same problem. If the ANC collapses, the DA loses the only coalition partner with which meaningful reforms can currently be negotiated. South Africa’s political arithmetic does not yet allow for a centrist government without some ANC participation. A DA that beats the ANC but finds itself without a credible partner is a DA that cannot govern nationally. The gap into which it would fall would almost certainly be filled by the EFF and the MKP, not because their ideas are popular, but because they have the apparatus of a populist mobilising party and the ANC’s disaffected voters are the natural recruiting ground.

Our view is that South Africa is best served by an ANC that bends rather than breaks: an ANC that gives up its ruinous pursuit of the National Democratic Revolution, including elements such as cadre deployment, race-based economic laws, state centrism, and contempt for the merit principle, and in doing so recovers some of the voter credibility it is losing. The bending option is better for the country and better for the ANC itself. So far, the party has chosen to keep breaking.

### **The DA’s rise, and its stumbles**

The DA, for its part, is looking stronger than it has for at least a decade. Time in the GNU has done it several favours. It has demystified the party in the eyes of voters who had

absorbed the ANC's claim that the DA wanted to bring back apartheid. Ministers from the DA have run their portfolios visibly and, on the whole, competently. Its Federal Congress elected a young and dynamic new national leadership.

Helen Zille's mayoral campaign in Johannesburg is drawing positive coverage even from habitual DA critics, reflecting both the scale of the collapse in that metro and the hunger for someone – anyone – who might stop it. In polling by the Social Research Foundation (SRF), 60% of respondents (and notably, 51% of ANC supporters) supported Zille's candidacy, with 33% opposed.

What is more, the SRF found that significantly more people trusted the DA on policies and performance than the ANC. When asked which political party would do the best job in certain areas, the DA came first in several categories, comfortably relegating the ANC to second place. For example: service delivery (37% to 16%), clean governance (35% to 11%), working in coalitions (31% to 16%), good policies (30% to 18%), good leadership (31% to 15%), and accountability (28% to 18%).

When it came to negative associations, the ANC comfortably won in the disciplines "makes broken promises" (73% to the DA's 3%), "only care about themselves" (63% to 10%), and "anti-poor" (26% to 15%). In relation to being "violent", the ANC came in at 13% to the DA's 3%, the category winner being the EFF, at 59%. However, the category "racist" was won by the DA (34%), followed by the EFF (24%) and the ANC (13%).

Despite favourable ratings from many voters (including many who are not DA voters), the party is not without its stumbles. It has at times failed to oppose ANC-led policies as forcefully as its own supporters would wish.

Then DA leader John Steenhuisen's handling of the foot-and-mouth disease crisis in the agriculture portfolio drew criticism. An internal dispute between Steenhuisen and his party colleague Dion George, at the time the minister of forestry, fisheries and the environment, absorbed political energy that might have been better spent elsewhere. And the party has leaked coloured voters to the Patriotic Alliance in parts of the Western Cape, a warning sign for a party for which that province is a critical power base.

On balance, however, the trajectory is upward. The early April 2025 poll may have represented a temporary peak, but the party has been comfortably polling above 25% in various surveys conducted since then. The point is not that the DA is guaranteed to stay ahead of the ANC. It is that the ceiling many had assumed was fixed is, in fact, breakable.

### **A more turbulent world**

South Africa enters this next phase of its domestic politics in a less forgiving international environment. The election of Donald Trump to a second term as president of the United States has produced the most confrontational US-South Africa relationship since the end of apartheid.

The relationship has deteriorated on almost every front. Mr Trump imposed a 30% tariff on South African exports to the United States. South Africa's ambassador to Washington, Ebrahim Rasool, was declared *persona non grata* within weeks of arriving. In November 2025, the US boycotted the G20 summit in Johannesburg, the first G20 summit held on African soil, and in a pointed breach of protocol, no US delegation was accredited to receive the ceremonial gavel at the handover. In December, the US took over the G20 presidency and announced that South Africa would not be invited to the 2026 meetings in Miami, the first time a founding member has been excluded from the group. Secretary of State Marco Rubio described the South African presidency as an exercise in "radical agendas".

The South African government's response has been a mixture of defiance and wounded dignity. Mr Ramaphosa has said South Africa would not be bullied. Official spokespersons have suggested the country would take a "commercial break" from the G20 for a year

and resume participation when the United Kingdom takes over the presidency. Whether this is the best response is open to question. The relationship with the United States is not a symbolic one. It matters for capital, technology, trade, and remittances. Handing over that relationship to a posture of injured pride, while simultaneously intensifying diplomatic warmth towards regimes under pressure from Washington, such as Cuba, Iran, and Venezuela, makes the job of reviving the economy harder than it needs to be.

The broader global picture is no kinder. The international rules-based order to which South Africa has long appealed is being challenged by the very country that was once its chief architect. US administrations of both parties have been willing to police institutions like the International Criminal Court, the World Trade Organisation and the UN when they produce results Washington dislikes. But the current administration has taken this further, treating the assertion of sovereign will as a principle in itself. A middle-income country like South Africa, which relies on multilateral institutions to amplify its voice, has fewer levers when those institutions are weakened. South Africa has not yet adjusted its foreign policy posture to reflect this. Continuing to place bets on partners whose own trajectories are downward, and whose alignment with Pretoria costs it in Washington, is a strategy in search of a rationale.

### **The arrival of AI**

Running underneath the political and economic news of 2025 is a development that will matter more than most in the medium run: the rapid advance of artificial intelligence into domains that until recently were considered the province of skilled human work.

Two episodes from 2025 and early 2026 illustrate the point. In April 2026, the AI company Anthropic announced that it had built a model called Mythos so capable at identifying and exploiting software vulnerabilities that it had decided not to release it to the public. In testing, Mythos found thousands of previously unknown security flaws, including ones that had survived decades of expert review in the most security-hardened operating systems in the world. Examples included a vulnerability in OpenBSD that had escaped detection for 27 years, and a bug in FFmpeg, the software that encodes and decodes video for innumerable applications, that automated testing tools had tested five million times without finding.

The decision not to release the model reflected a judgement that the balance between defensive and offensive use of the model's capabilities had tilted too far towards offence. Instead, Anthropic launched Project Glasswing, a consortium of technology and cybersecurity firms granted limited access to the model for the purpose of finding and patching vulnerabilities before criminal and state actors catch up.

The episode is important for two reasons beyond itself. It is the first time a major AI laboratory has held back a frontier model on security grounds. And it is a concrete early warning that the productivity gains from AI will arrive together with new categories of risk that governments and firms are not yet equipped to manage.

For South Africa, the implications run both ways. The country has a young population with latent capacity in precisely the fields where AI is most productive: software, design, finance, creative work, professional services. It also has an unreformed labour market, weak broadband infrastructure in many areas, and a skills pipeline that has been eroded by two decades of poor basic education. The window in which AI could be a transformative advantage for South Africa, including in education, is open now; whether it is still open in five years depends on choices being made today.

### **The IRR's work in 2025**

It is against this backdrop – a weakening ruling party, a rising opposition, a less hospitable international environment, and a technological wave beginning to break – that the IRR continues to position itself as a leading promoter of economic growth and of the reforms needed to achieve it.

Our central contention is that South Africa can still grasp the opportunity in front of it, and can do so relatively quickly, if it adopts the right reforms. The building blocks of such a programme already exist. In 2025 the IRR published its second annual series of eight *Blueprint for Growth* papers, updating and sharpening the policy proposals we released for the first time in 2024. These papers set out concrete, implementable steps across the main areas of the economy and the state. They are complemented by a series of draft laws that offer practical alternatives to harmful legislation already on the statute books, such as the Value for Money Bill, the Better Health Bill, the Right to Own Bill, the No More Race Laws Bill and the Freedom From Poverty Bill. Each of these is intended both as a piece of policy substance and as a rallying point around which a pro-growth coalition can organise.

The message is starting to get through. The IRR is no longer alone in criticising race-based legislation and pointing out its harm. The International Monetary Fund, the World Bank, Chief Justice Zondo, Harvard University economists and the US administration have all now said in public what the IRR has said for years: that race-based rules in hiring, public procurement and ownership act as a brake on investment and therefore on growth. Even News24, historically sympathetic to ANC policy, now runs articles critical of BEE premiums and broadly critical of the system. Work by IRR fellow Gabriel Crouse on the scale of government overspending on BEE-related procurement, so-called “BEE premiums”, continues to gain prominence, and the pressure on National Treasury to measure and publish the quantum is growing.

In 2025, the IRR made seven submissions to Parliament, published eight policy papers on political and social topics, in addition to the eight *Blueprint for Growth* papers mentioned earlier; it placed 1,241 opinion pieces in the media, was cited 465 times, gave 281 interviews, issued 128 press releases and released 474 audio/visual clips. Cumulatively, the IRR appeared in the media 2,589 times, or around 7 times per day. Adding the 5,485 social media posts, this number rises to over 22 appearances per day.

Over and above these, the Centre for Risk Analysis (CRA) delivered 93 briefings to clients, published 29 papers and reports, answered 112 client queries, issued 49 Risk Alerts and 17 Client Notes, appeared 130 times on radio shows, podcasts or third-party YouTube channels, and published 29 opinion pieces and 27 letters. Cumulatively, the IRR and CRA held 73 formal briefings and 335 meetings with policy makers and influencers.

In terms of public communication, our online newspaper, the *Daily Friend*, attracted 753,714 unique website visitors, who cumulatively read our articles 3,268,242 times. The related Daily Friend Show, with four 15-minute episodes released Monday to Thursday, complemented by a longer 30-minute episode every Friday published both on podcast platforms and on YouTube, recorded 170,171 episode downloads and 1,735,053 YouTube views in 2025. The average number of views per episode was 7,780. The CRA increased the number of its YouTube subscribers from 43,533 at the end of 2024 to 47,092 a year later.

At the end of 2025, across all platforms, the number of subscribers to IRR communications stood at 436,787, as shown in the table below. The IRR’s presence on the platforms is designed to provide diverse target groups with access to information and liberal thought by making use of both traditional and modern media platforms. All of this is in support of liberal arguments in the great ideological struggle that is playing out in South Africa and across the rest of the world.

	Facebook	X (Twitter)	YouTube	LinkedIn	Instagram	WhatsApp	E-mail	Friends/ subscribers	Total
IRR	157 367	37 839	–	3 620	–	–	–	19 031	217 857
TDF	65 430	5 687	23 992	–	1 026	–	58 249	–	154 384
CRA	12 259	2 208	47 092	2 987	–	–	–	–	64 546
<b>Total</b>	<b>235 056</b>	<b>45 734</b>	<b>71 084</b>	<b>6 607</b>	<b>1 026</b>	<b>–</b>	<b>58 249</b>	<b>19 031</b>	<b>436 787</b>

Financially, the IRR's revenue dropped by 10%, from R24,787,710 in 2024 to R22,280,443 in 2025. Expenses were reduced by 11%, from R31,093,751 in 2024 to R27,535,709 in 2025. Both revenue and expenditure had been inflated by an unscheduled project in 2024. Costs in 2025 were well contained and – leaving aside the unscheduled project – in line with those of the previous year, with a slight drop in salary costs.

The operating deficit of R5,255,266 was reduced by an unrealised gain and interest on investments of R872,547. As reported previously, the IRR ended its bursary programme in 2023. The remaining funds were divided into two categories: those where the trustees were known or could be traced and those where this was not the case. Where trustees could be contacted, their agreement was obtained before the respective funds were transferred to StudyTrust, a professional bursaries administrator that continues to manage the bursaries. The balance of funds, where original trustees could no longer be traced, was transferred to the IRR. This transfer of R7,482,741 to the IRR in 2025 meant the IRR showed an overall surplus of R3,100,022 in 2025, against a deficit of R3,989,898 in 2024.

### **The road ahead**

South Africa is not the first country to have spent a long period on the wrong side of history's argument about how economies generate prosperity. The twentieth century offers several examples of countries that appeared locked into decline and then, through a combination of political shift and policy courage, reversed themselves in the space of a decade. None of them did it by clinging to the ideology that produced the decline.

That is the choice now facing the ANC, and by extension the country whose politics it still dominates. The populace is fundamentally sound. South Africans want jobs, safety, functioning services and the prospect of a better future for their children. They do not, in their daily lives, live by the ideological categories around which the NDR was built. They want to be treated as individuals, judged on their merits, and left to get on with the business of building a life. That is a liberal instinct, whether or not those who hold it would use the word.

The IRR's purpose, nearly a hundred years after its founding in 1929, is to turn that instinct into policy. The values that underwrite it – individual freedom, free markets, secure property rights, the rule of law, non-racialism – are not abstractions. They are the conditions under which a country becomes prosperous and its people become free. Without them, no amount of redistributive ingenuity will produce the growth that South Africa needs. With them, South Africa has everything it needs to succeed.

That is the work in front of us, and with the support of our members, donors and allies, the work the IRR will keep doing.

## IRR Departments

### IRR Policy Research and Projects

*Objective: To influence the public debate through robust criticism of bad policy and put forward proposals for better policies; to act as a source of liberal ideas and orientation for the entire group.*

Public discourse across 2025 was dominated by ongoing debate around the prospects and durability of the Government of National Unity (GNU), as well as a rare instance of foreign policy taking centre stage, in the form of the relationship between South Africa and the US.

Controversy hung around the 2025/2026 budget, after it emerged that the original proposal had envisaged a two-percentage point increase in VAT. A cabinet rebellion saw the budget speech postponed; ultimately a revised version provided for a more modest increase (one percentage point, spread across two years). The Democratic Alliance (DA) and Freedom Front Plus (FF+) refused to support it, and the African National Congress (ANC) looked for support beyond its partners in government. This experience tested the resilience of the arrangement and the responsibilities and good faith of the various partners towards one another. Reports that the ANC was looking to expel the DA were met with consternation by many interest groups, notably in business, which view the GNU as the only stable option for the country.

The IRR provided copious comment on this issue and emphasised that the country's core problem was the lack of growth. South Africa cannot tax itself out of its current predicament; it needs economic growth to expand the pool of opportunity and wealth that would both lower dependency on the state and fund welfare measures sustainably. While the IRR's message on the importance of growth has been taken on board by the GNU, practical measures to achieve it have been lacking. The ANC is very much stuck in a redistributionist, state-centred, and patronage-driven frame of mind.

The budget crisis provided an opportunity for the IRR to call for economic reform. In particular, the IRR used the opportunity to reiterate the need to rethink the cost structure of the state, calling for urgent reform of the public procurement system – moving from a patronage-driven preferential procurement regime to one based on value for money. This reform alone would allow the VAT rate to be cut from 15% to 11.5%, according to Institute calculations.

Strains between the GNU partners continued to manifest in an overtly party political sense. The budget dispute was followed by the sacking of Andrew Whitfield as deputy minister of trade, industry and competition, ostensibly over an unsanctioned overseas trip. The DA demanded action against ministers from the ANC who faced serious questions as to their probity, specifically mentioning the minister of human settlements, Thembu Simelane, the minister of higher education and training, Nobuhle Nkabane, and the deputy minister of water and sanitation, David Mahlobo. In an apparent partial concession, in July, President Cyril Ramaphosa removed the minister of higher education and training, Nobuhle Nkabane, from her position, amidst a controversy around the appointment of board members to a Sector Education and Training Authority (SETA) and subsequently lying to Parliament about the matter. The others were not, at this writing, sanctioned. Together with some changes to the original budget design (notably, not increasing VAT), the removal of Ms Nkabane led to the DA supporting the budget. The DA came in for some criticism for failing to restrain the ANC's behaviour, and for lacking the ability to inflict serious consequences on the ANC for its misdeeds. The DA seemed particularly loath to leave the government, as this would open the way for the entry of parties such as the Economic Freedom Fighters (EFF) or the uMkhonto weSizwe Party (MKP).

The DA, meanwhile, found its own conduct in government under critical scrutiny. At issue was the dismissal from cabinet of Dr Dion George as minister of forestry, fisheries and the environment at the behest of the party leader, John Steenhuisen. A public spat ensued, with allegations that Steenhuisen had acted against George under pressure from the canned hunting lobby, and that the new appointment to the ministry, Willie Aucamp, was linked to this. It was also alleged that Steenhuisen had experienced considerable financial difficulties, including having incurred a debt judgment and having used party funds for personal expenses. George was in turn accused of various misdeeds in office. George laid a complaint against Steenhuisen with the Public Protector; he announced in January 2026 that he was leaving the DA. This controversy raised questions about the DA's role in the GNU (George saying that it was impotent), as well as about undue pressure being brought to bear by private interests on the DA – something that had been a recurrent problem with the ANC. This in turn had the potential to frame a difficult narrative for the DA in the run-up to the 2026 local government elections.

The National Dialogue was launched in August, as a forum where South Africans would have an opportunity to chart a new course for the country. Many commentators remarked that South Africa's people were sick of talking and now demanded action. Others felt that the ANC was attempting to use the process to promote itself. The DA announced it would boycott the process. The IRR was sent a last-minute invitation to the event, which it declined on the basis that the dialogue risked enabling the government to evade responsibility for its choices, and that there existed no evidence of any inclination to change course. "We need more and better-quality national dialogue," wrote the IRR's Terence Corrigan. "This national dialogue is a counterfeit exercise."

South Africa's relationship with the United States (US) came to the fore with the inauguration of US President Donald Trump on 20 January 2025. South Africa assumed the G20 presidency on 1 December 2024, but the new Trump administration showed itself disinclined to participate in the G20 meetings when they were being hosted by South Africa. The US Secretary of State, Marco Rubio, indicated via social media that he would not attend the meeting of foreign ministers. Subsequently, President Trump indicated displeasure with South Africa over its expropriation legislation and race-based legislation. South Africa's then ambassador to the US, Ebrahim Rasool, had found it difficult to gain access to US decision makers, and was expelled from the US after making intemperate public remarks about President Trump. The head of the consulate in Los Angeles and the South African military attaché were likewise asked to leave the country.

The US also ceased all aid to South Africa, signalled the potential exclusion of South Africa from the African Growth and Opportunity Act, imposed steep tariffs, and floated the possibility of future sanctions on ANC leaders. President Trump also indicated that persecuted Afrikaners would be granted refugee status, with an accelerated pathway to citizenship.

This was greeted with outrage in South Africa by the government and most of the political and intellectual class. However, the commentary on this tended to be parochially moralistic, with little attempt to understand the drivers of US actions on their own terms.

It was revealed that President Ramaphosa's Special Envoy to the US, Mcebisi Jonas, had been denied a diplomatic visa and had not actually visited the US. In addition, South Africa was hit with 30% trade tariffs on goods destined for the US. Despite repeated protestations by South Africa's authorities, there was very little public movement on resolving this by the end of the year. Indeed, tariffs on South African goods were among the highest charged to any African country.

The final months of the year were dominated by the G20 Leaders' Summit, held in Johannesburg on 22-23 November. For the government and President Ramaphosa, it was to be a highlight of the governance calendar, showcasing South Africa's ongoing global influence. The summit was overshadowed by the US boycott and indications that

it would not recognise a declaration. While South Africa received support from most of the other participants, there was no doubt that the declining relationship with the US was becoming a significant factor in the country's global role. South Africa has not been invited to attend G20 events hosted by the US in 2026, and no resolution of the difficulties in the relationship appears to be in sight.

The summit drew attention to a key domestic issue: the failure of local governance. This has been a long-running problem, with municipal dysfunction disincentivising economic activity and undermining quality of life. The state of Johannesburg was described by President Ramaphosa as “not pleasing”, and an extensive programme of repair and beautification was undertaken in areas to which G20 guests would be exposed. There was widespread cynicism – expressed in letters to editors and in online forums – that this would not be maintained after the summit (and that these endeavours showed the skewed priorities of the country's governing class). This narrative – common in various ways across much of the country – seemed set to frame public discourse.

In early July, KwaZulu-Natal Police Commissioner Lieutenant General Nhlanhla Mkhwanazi held a media briefing in which he accused a number of high-profile political, business and police leaders of complicity in organised crime. These included the then Minister of Police, Senzo Mchunu. General Mkhwanazi stated in particular that they had been instrumental in shutting down investigative work on political assassinations. This sent veritable shockwaves through the country. While denying the allegations, Mchunu was placed on leave by President Ramaphosa, and his office filled (in what was notionally an “acting” capacity) by Professor Firoz Cachalia, a prominent former ANC politician in Gauteng and later academic at the Wits University School of Law. A commission of inquiry was announced by President Ramaphosa under retired Constitutional Court Justice Mbuyiseli Madlanga – formally, the Judicial Commission of Inquiry into Criminality, Political Interference, and Corruption in the Criminal Justice System – as well as a parliamentary inquiry.

The inquiries proceeded to hear accounts of the political meddling that General Mkhwanazi had drawn attention to, and as it progressed, arguably equally serious allegations. In late September, Lieutenant General Dumisani Khumalo, Head of Crime Intelligence, took the stand and testified about the penetration of the state by organised crime, notably a syndicate known as the Big Five – it is alleged to be involved in activities ranging from state tender manipulation to contract assassinations. This was associated with the figure of Vusimuzi “Cat” Matlala, a businessman who was arrested in May 2025 over suspicions of involvement in the murder of his then girlfriend, and who has ties to the ANC and several senior politicians and businesspeople. Indeed, in parliamentary hearings, the former Minister of Police, Bheki Cele, admitted to having stayed as a guest in a penthouse owned by Mr Matlala.

For South Africans frustrated with the level of corruption and violence in the country, General Mkhwanazi became an instant celebrity. However, some dissenting voices, such as the forensic consultant Paul O’Sullivan and the IRR’s Terence Corrigan, cautioned that this might in fact point to factional disputes in the police service, and it would be prudent to await full disclosures. Accusations made before the Commission restated much of what was known (or suspected) about the failings of the police, while some of General Mkhwanazi’s remarks – such as asking for journalists to be monitored – hinted at a disturbingly authoritarian mindset.

The IRR was called on to provide comment and analysis on these questions – in private and in public – in hopes of assisting to formulate a prudent response.

Dr Anthea Jeffery, Head of Policy Research, concentrated on updating and completing a monograph on the apartheid accusation against Israel and its significance, including the way in which it prompted or fed into key rulings against Israel before the International Court of Justice in 2024. It prompted South Africa to accede to the 1973 International

Convention on the Suppression and Punishment of the Crime of Apartheid and to put forward a bill (formally being sponsored by Al Jama-ah as a private member's bill) seeking to incorporate the inordinately broad provisions of this Convention into South Africa's domestic law.

The bill (formally, the Implementation of the International Convention on the Suppression and Punishment of the Crime of Apartheid Bill of 2025) will give South Africa's own courts the capacity to try and convict the executives of companies supplying arms or otherwise doing business with Israel and thereby "supporting" its supposed apartheid crime. South African courts will have extraterritorial jurisdiction to proceed with trials even where the alleged support was provided outside the country, provided only that the executives to be tried are "present" in South Africa. Other states belonging to the Hague Group – which South Africa helped form in January 2025 to increase Israel's isolation and supposedly "defend" international law against the Jewish state and its US ally – may enact similar statutes too, as may other countries in the Global South. This may in time put executives at risk of prosecution for apartheid crimes in a considerable number of countries and so deter them from doing further business with Israel. Their potential liability for apartheid crimes, even if this does not translate into convictions, may also cause their companies considerable reputational damage.

Jeffery has also written an executive summary of the monograph, which will probably be published in book form in 2026 and which she has been updating from time to time. In addition, she completed a 7,500-word chapter on the apartheid accusation, which will be included in a book being published later this year.

She was also very active on the IRR's response to the Expropriation Act. She assisted in developing a set of Frequently Asked Questions about the matter and wrote several op-eds on the Act. These were mainly in reply to legal experts who played down its dangers, such as Advocate Tembeka Ngcukaitobi SC and Professor Pierre de Vos. In addition, she wrote a response to criticisms of the IRR's Race Law Index by De Vos and Professor Christi van der Westhuizen.

Jeffery continued her work opposing the current race-based policy environment; notable here was a reply to an article by Stephen Grootes acknowledging that BEE was under pressure but claiming that there was no debate on any alternative to it. Her response summarised the Economic Empowerment for the Disadvantaged (EED) idea and described how schooling, housing and health vouchers were being used in other countries. She also cited IRR opinion polls showing strong support for the voucher proposal. The *Daily Maverick* declined to publish the piece, so it was carried on the *Daily Friend*.

In August 2025, Grootes returned to the issue, describing rising criticisms of BEE for enriching the few while harming the many as an "unprecedented attack" on a strategy essential in "reducing racialised inequality". Yet he also accepted that "BEE has too many problems to work properly" and said South Africa needed "a proper national debate" on empowerment alternatives that satisfied the tests of "impact", "fairness" and "legitimacy". Jeffery wrote a reply in which she debunked his assumption that there was a widespread "demand" for policies of redress to be "race-based", which IRR opinion polling over many years had shown to be untrue. She also showed that "race-based" policies fail Grootes's tests of "impact", "fairness" and "legitimacy". By contrast, the non-racial EED alternative with its pro-growth, pro-poor and voucher elements satisfied all three tests – and was fully in line with the Constitution too. Her reply was published in the *Daily Maverick*. In addition, Jeffery took part in a number of in-depth interviews about the IRR's policy proposals, including EED. She also wrote a response to Jeremy Cronin, who had claimed that white business had developed BEE in an early variant of "state capture", that the ANC had then helped to broaden it, and that BEE remained essential to black advancement. Her reply was published on News24.com.

Jeffery also wrote a reply to Duma Gqubule, who claimed in an op-ed in *Business Day* in September 2025 that “BEE still makes economic and social sense”. In response, Jeffery pointed out the high costs of BEE ownership deals, showed that BEE corruption was not “an occasional glitch” and made it clear that non-racial EED would be a far better antidote to apartheid injustices. BEE, she added, was a fake form of transformation that allowed a politically connected black elite to keep lining its own pockets while making the entire country poorer. What South Africa needed instead was true transformation of the EED kind. This would provide an effective leg-up to the poor, even as it promoted the investment, growth, employment and self-reliance vital to prosperity and stability. Her reply was published in *Business Day*.

Jeffery also helped advise on a Freedom from Poverty Bill, drawn up by Hermann Pretorius, IRR Head of Strategic Communications, which translates the EED idea into draft legislation. On 16 July, together with Makone Maja, IRR Strategic Engagements Manager, she presented a webinar on this draft Bill. Here, she and Maja elaborated on different aspects of the EED proposal and outlined some of the key features of the Freedom from Poverty Bill. This evoked further debate on the EED alternative and how it could be implemented.

Jeffery also assisted with a client note on the budget process for the CRA, wrote a *Daily Friend* op-ed on the unacknowledged dangers in the Mineral Resources Development Bill of 2025, and summarised key features of the Upstream Petroleum Resources Development Act of 2024 (also the subject of an op-ed in the *Daily Friend*). She also made a written submission on the South African Reserve Bank Amendment Bill of 2018 (a private member’s bill proposed by the leader of the EFF, Julius Malema), seeking to nationalise the South African Reserve Bank (SARB) by expropriating all privately owned shares in the SARB without paying any compensation. Her written submission highlighting the dangers in the Bill was sent to the Standing Committee on Public Finance in the National Assembly on 30 June 2025 (Gabriel Crouse thereafter made an oral presentation on the Bill to the committee).

In August Jeffery made a submission to the minister of mineral and petroleum resources on the Draft Mineral Resources Development Bill of 2025. She warned against the dangers in the Bill, which would empower the minister to introduce new BEE targets, step up unrealistic beneficiation obligations, permit the uncompensated expropriation of historic mine dumps, and make environmental authorisations more difficult and costly to secure. She noted that public consultation on the Bill had been inadequate – and warned that the measure would make the mining industry still more “uninvestable”.

Jeffery made three additional written submissions in September 2025. The first was on the Public Service Commission Bill of 2023, already adopted by the National Assembly and before the National Council of Provinces for its endorsement. She warned against the Bill, which was intended to give the Public Service Commission jurisdiction over the personnel decisions of municipalities – including those governed by opposition parties – and conflicted with the Constitution.

Her next submission was made to the Electoral Commission (IEC), which was again intent on introducing an electronic voting system in South Africa. Such a system would make it harder to prevent or detect electoral fraud of the kind evident, for example, in Venezuela’s presidential election in 2024. Here, the opaque electronic count was accepted as correct, even though it was at odds with the printed voting slips the voting machines had also generated. The IEC was supposed to be investigating the merits of electronic voting with an open mind but had clearly prejudged the issues. It seemed determined to make the change regardless of the political, economic and constitutional arguments against it.

Jeffery’s third submission in September was made to the Department of Forestry, Fisheries and the Environment (DFFE) on the Draft Regulations on Carbon Budget

and Mitigation Plans put forward by the DFFE under the Climate Change Act of 2024. She argued that the draft Regulations sought to impose onerous carbon budgets on Eskom and other industries, including steel, mining and cement. They envisaged an extraordinarily heavy burden of reporting and verification, backed by draconian fines and greatly increased carbon taxes. Companies would also be expected to implement carbon mitigation plans, generally involving a costly shift to intermittent renewable energy, backed by (still ineffective) battery storage. Massive public investment in grid expansion and stabilisation would also be required. South Africa's ailing and already deindustrialising economy could not afford these interventions, which would also push up electricity costs and could trigger a return to load-shedding.

In November, Jeffery made a submission to the Department of Small Business Development regarding the Business Licensing Bill of 2025, which has since been withdrawn. This piece of legislation would replace the Business Act of 1991 and demand licences for all businesses other than those specifically exempted. These licences would be issued by municipalities under a national framework produced by the minister. They would be additional to the licences and permits already applicable to sectors such as banking, broadcasting, construction, mining, and transport operations. The IRR drew attention to constitutional problems with the Bill, to its potentially profound impact on economic activity, and to the lack of a socio-economic impact assessment report. The Bill's licensing requirements could also be used to impose BEE compliance obligations on small businesses currently not subject to these. In addition, the Bill would enable municipalities to set aside designated areas for trading by small businesses alone, which could well exclude larger enterprises from operating in townships and other areas. All of this would have negative consequences in expanding the burden of race-based empowerment laws and constraining competition. In addition, the Bill's enforcement provisions could be used for corrupt purposes. Cumulatively, the Bill stood to exercise a chilling effect on economic activity. For all these reasons, the IRR called for the Bill to be abandoned and the 1991 Act to be retained.

In December, a written representation was made to the Speaker of the National Assembly regarding the Implementation of the International Convention on the Suppression and Punishment of the Crime of Apartheid Bill, 2025. This argued that the Bill was unnecessary, as the Rome Statute of 1998 already prohibited the crime of apartheid in clear and appropriate terms. In addition, South Africa has already enacted the Implementation of the International Criminal Court Act of 2002 to give its domestic courts the power to try apartheid crimes where their perpetrators were present in the country. However, the strict provisions of the Rome Statute were not easy to fulfil. Nor did they seek to punish those who did business with an apartheid state. South Africa's aim was thus to bypass the more recent convention (adopted in 1998) and return to a Cold War measure (from 1973) that had always been rejected as too vague and too broad by the US and other Western democracies. The Bill was thus superfluous and served no legitimate governmental purpose. It would also have the negative consequences earlier outlined in the context of Israel. Those negative consequences would also apply, moreover, to any states other than Israel (the US, for example) that might also in time be declared to be apartheid states.

In addition, Jeffery updated a summary, written in 2023, of her book, *Countdown to Socialism*. This was published by the IRR in late May, under the title *Enemy of Growth: The ideology holding South Africa hostage*. The document was accompanied by a webinar highlighting the importance of the NDR as a barrier to the economic growth the country so urgently required.

Terence Corrigan, IRR Project and Publications Manager, was intricately involved in making these arguments to society, chiefly as primary content producer for the IRR. He authored a weekly column for the *Daily Friend* and contributed to numerous external

publications, such as the *Daily Maverick*, *Politicsweb*, *Africa in Fact* and the *South African Jewish Report*. His work emphasised the importance of property rights, although he wrote extensively on other economic and political-cultural matters – including the US-SA relationship, arguing that this needed to be seen in large part as a culmination of a deeply ideological South African foreign policy, and one that lacked the diplomatic capacity to handle the inevitable fallout.

Indeed, foreign policy played an unusually prominent role in South Africa in 2025. Corrigan gave a well-received talk to XA Global Trade Advisors on the history of US-SA relations.

He also commented widely on the National Dialogue. He noted in his work that it represented an appeal to a national myth – South Africa's supposed capacity for dialogue – and that it avoided making the hard choices that needed to be made. In part, as he argued in a column published in *Rapport*, this was an attempt by President Ramaphosa to secure a legacy for himself, without taking the action necessary.

Corrigan held overall responsibility for the IRR's major publications. The flagship of these is the *Blueprint for Growth* series, which aims to articulate our analysis of key themes around economic growth. In January, *Blueprint for Growth 1: Arming SA's Pro-Growth Forces* was published. This was written by Dr John Endres, IRR Chief Executive Officer and set out the broad contours of policy reform needed to advance a pro-growth agenda. It was followed in February by *Blueprint for Growth 2: Cut VAT & BEE*, which was written by Gabriel Crouse, IRR Legal Executive Director, and timed to coincide with the budget. It noted that South African state spending was having a negative multiplier effect – it was now actively damaging the economy – while the direct costs of premiums extracted via BEE was some R17 billion, and the indirect costs R132 billion. Cutting the excess procurement spending would provide fiscal scope to cut the VAT rate to 11.5%, providing a significant boost to spending power and contributing to a reform agenda.

In the second quarter, the third paper in the series was published, *Blueprint for Growth 3: In service of the public: Reforming South Africa's Public Administration*. Written jointly by Corrigan and Sara Gon, it examined the calamitous state of the public service, and proposed solutions based on politics, policy and day-to-day management.

The third quarter started with *Blueprint for Growth 4: Reinforcing South Africa's Growth through Infrastructure*, by Anlu Keeve, IRR Economic Policy Analyst and Research Coordinator. It examined the state of water, power and logistics systems in South Africa, how they were holding back growth, and how this might be remedied. This was followed by *Blueprint for Growth 5: Generating Jobs and Skills*, by Dr Anthea Jeffery. It looked at the state of education and skills development, explaining how failings in this regard had held South Africa back. It proposed a greater stress on technical and vocational training and the adoption of a system of vouchers to encourage educational choice and improvement.

In addition, an Occasional Paper, *Electoral reform – Time to do it properly*, written by Marius Roodt, explored models for a revamped electoral system. The paper concluded that single-member constituencies with a top-up proportional list would offer the best option to the country.

In the fourth quarter, the final three Blueprint papers were produced. Corrigan's *Blueprint for Growth 6: "Open(ing) for business": South Africa's investment malaise and how to escape it* was published in October. This examined South Africa's investment environment. In investment terms, the country had been a long-term underperformer. Limited investment being the foundation of its inadequate economic performance, it was the variable that explained the country's anaemic economic growth and its stubbornly elevated unemployment numbers. The report showed how this situation had been allowed to develop, the choices that had sustained it – and how South Africa could turn it around.

In December, two Blueprint papers were produced. Jeffery's *Blueprint for Growth 7: Breaking the BEE Barrier to Growth* noted that for two decades, supporters of Black Economic Empowerment (BEE) had insisted that race-based measures were needed to overcome the effects of apartheid, but the facts showed that BEE had failed. Far from helping, BEE had proved to be one of the biggest obstacles to growth in South Africa. It had enriched an elite few while keeping millions in poverty. It disincentivised employment, growth, and investment. The report then set out an alternative approach.

This was followed by Ricardo Teixeira's *Blueprint for Growth 8: Solutions to SA's crime crisis to boost growth*. This paper explored how crime drained the economy, deterred investment, and deepened despair. It also looked at what real reform of policing, justice, and governance would require, concluding that extensive change was required, ultimately, a complete overhaul of the South African Police Service.

In addition, Gabriel Crouse produced a report in December, *Refusing Forced Racialisation at Work*. Its starting point was the impending introduction of effective racial quotas across the economy, which would cover at least 7.5 million workers, with 15 January as its first submission deadline for equity plans. It threatened directly to benefit and harm people from all eight race-gender pairs. The constitutional rights to privacy, bodily integrity, and South Africa's history of race misclassification all reinforced the right to remain silent about race at work.

Corrigan was furthermore engaged with fundraising for publication and advocacy work. Some funding for the *Blueprint* papers was provided by the Konrad Adenauer Stiftung (at a rate of R25,000 each), following an application the previous year. In the first quarter of 2025, an application for funding from the Atlas Network in the US was successfully submitted. The sum of \$60,000 was awarded for work on pieces of alternative legislation, which the IRR called Freedom Bills. We initially committed to producing three of these with Atlas funding, but added a fourth, with the project timeline expanded into 2026: The four bills were: an alternative Expropriation Act; an alternative Public Procurement Act; an alternative Mineral and Petroleum Resources Development Act; and an alternative to BEE legislation.

The Right to Own Bill, an alternative to the Expropriation Act, was published on 20 June. A second piece of alternative legislation, the Value For Money Bill, dealing with public procurement, was prepared by Crouse and was released on 29 October.

A third, the Freedom from Poverty Bill, was launched on 16 July 2025. This challenged one of the central impediments to prosperity in South Africa, (so-called) Broad-Based Black Economic Empowerment (B-BBEE). More than anything, this had been a disincentive to doing business in the country. In practice, it had served to enrich a very small number of people, so had been ineffective within its own nominal reasoning. The Bill proposed repealing B-BBEE and replacing it with a policy based on socio-economic need. The fourth IRR bill, focusing on mining, was to be produced in early 2026.

In September, the IRR submitted a number of new applications for funding. One was to the Rising Tide Foundation, proposing work on a new product to measure and track social mobility in South Africa. A submission to the Atlas Network made the same proposal. Both of these were unfortunately unsuccessful, and new pitches were being developed. To the Konrad Adenauer Stiftung, the IRR proposed a project for 2026 on local government and economic growth, a matter likely to be topical as the country approached the next round of municipal elections. In January 2026, the IRR was informed that a sum of R95,000 would be made available to this, together with a request for a revised expenditure budget consonant with this amount.

In addition, Ivo Vegter was contracted to produce a study of the economic reform programme of the new government of Argentina. This report, *Lessons for South Africa from Argentina's Radical Economic Reforms*, was published on 29 May.

For the individual members of the team, the written output between January and December was as follows:

Terence Corrigan: 79 op-eds, 19 letters

Anthea Jeffery: 7 submissions, 21 op-eds, Israel monograph plus chapter for forthcoming book

Anlu Keeve: 5 op-eds, 3 letters

Nicholas Lorimer: 14 op-eds, 3 history features

## IRR reports and publications

### **FreeFACTS**

**FreeFACTS** was published monthly on the IRR's website. Each issue looked at a particular aspect of policy and included graphs and tables, presented in an easy-to-understand format.



#### **FreeFACTS on education: More to education advances than matric pass rate (January)**

This edition of **FreeFACTS** looked at the matric pass rate. While noting that it had shown significant improvement over the past few years, a deeper delve into the data showed that problems remained.



#### **FreeFACTS on demographics: SA population boom – but only in some provinces (February)**

In this edition of **FreeFACTS** the demographics of South Africa's provinces were examined, including the implications for future development of divergences between them in areas such as population growth.



#### **FreeFACTS on foreign relations: South Africa needs to be pragmatic in foreign policy (March)**

This edition of **FreeFACTS** looked at South Africa's foreign policy. It argued for taking trade and other economic relationships into account when developing foreign policy.

**FreeFACTS** was paused when Marius Roodt, who customarily authored the publication, left the IRR.

### ***Submissions to Parliament and government departments***

The IRR made the following submissions directly to politicians and lawmakers in pursuit of safeguarding South Africa's future as a free and open society.

#### **Submission to the Standing Committee on Finance regarding the South African Reserve Bank Amendment Bill of 2018, 30 June 2025**

This private member's bill was first proposed in 2018 by Julius Malema, Commander-in-Chief of the EFF, and twice revived by successive Parliaments. The Bill proposed that all shareholders in the SARB have their shareholdings expropriated without compensation. The IRR's submission pointed out that this was contrary to Section 25 of the Constitution and its requirement that all expropriations be accompanied by "just and equitable" compensation. It was also inconsistent with the Expropriation Act of 2024 (still to be brought into operation), which authorised "nil" compensation solely for land.

If the SARB was nationalised, this would weaken property rights and reduce investor confidence. Yet such confidence needed urgently to be increased if South Africa was to raise its current rate of fixed investment (14% of GDP) to 26% of GDP (the global average) – and preferably to 30% of GDP, as the National Development Plan recommended in 2012.

The nationalisation of the central bank was also intended, it seemed, to facilitate the implementation of Modern Monetary Theory (MMT) and the "printing" of the money needed for a major increase in state spending. Proponents of the Bill claimed that pushing up state spending would have positive "multiplier" effects, thereby stimulating growth and jobs. However, the relevant data showed that state spending since 2015 had been so inefficient and corrupt that it had destroyed value, rather than creating it. Expanding state spending in these circumstances made no sense. It could also lead to hyperinflation, capital flight, and economic collapse, as illustrated by events in Sri Lanka, Venezuela and Zimbabwe.

It would be economically foolish, the IRR concluded, to proceed with the Bill. Current macroeconomic policy worked well and there was no need to "fix" what was not broken. The Bill should therefore be abandoned.

#### **Submission to the Minister of Mineral and Petroleum Resources regarding the Draft Mineral Resources Development Bill of 2025, 13 August 2025**

This Bill was *prima facie* unconstitutional on both procedural and substantive grounds. Not enough had been done to facilitate proper public consultation on its terms. In addition, many of its clauses were open to conflicting interpretations and were impermissibly vague.

The Bill gave the mining minister the power to impose new BEE obligations on mining companies, in addition to those in the mining charter. However, this power was inconsistent with other provisions in the Bill, adding to uncertainty. In addition, expanding race-based BEE rules conflicted with the founding value of "non-racialism" in the Constitution. It was economically damaging too, as race-based rules deterred investment, inhibited growth and worsened intra-black inequality.

The Bill also sought to impose permanent environmental liability for latent impacts that might emerge decades after approved mine closures. In addition, it aimed to bring about the uncompensated expropriation of mine tailings in historic mine dumps; encourage artisanal mining without adequate environmental safeguards; introduce draconian penalties (heavy fines and possible ten-year prison terms) for a greatly expanded range of offences; and widen the circumstances in which mining rights may be suspended or cancelled. All these clauses would further deter vital mining investment.

In 2003, before the damaging Mineral and Petroleum Resources Development Act (MPRDA) of 2002 took effect, South Africa attracted some 5% of global exploration spending, which was the lifeblood of the industry. Since then, its share of such spending had dropped to less than 1%. In 2024 it attracted a mere R780m. This was the lowest amount since 1993 and a fraction of the R6bn to R8bn required every year to sustain the industry.

The only solution, the IRR said, was to withdraw the Bill and replace it with a new measure reflecting global best practice in every sphere. Only a policy shift of this magnitude would restore investor confidence and help South Africa regain its earlier status as the best mining country on the African continent.

**Submission to the Select Committee on Cooperative Governance and Public Administration, National Council of Provinces, regarding the Public Service Commission Bill of 2023, 12 September 2025**

This Bill had already been adopted by the National Assembly and was being rushed through the National Council of Provinces (NCOP), which gave the public a scant ten days to comment on it. This truncated consultation process was clearly unconstitutional.

The Bill sought to give the Public Service Commission (PSC) powers over local government which it currently lacked. The underlying goal was seemingly to fulfil a “directive” from President Ramaphosa – included in his State of the Nation Address in 2023 – to “*move towards creating a single, harmonised public service.*”

The Bill would help achieve this objective by empowering the PSC to control and direct municipal decisions on staffing at senior and other levels. This would curtail the autonomy of all municipalities and significantly harm those controlled by opposition parties. It would also make it easier for the African National Congress (ANC) to create the “harmonised” public service desired by the president.

However, the strategy being pursued was inconsistent with the Constitution, which limited the PSC’s jurisdiction to the national and provincial spheres of government. The Bill could not lawfully give the PSC new powers of control over the local sphere of government without first amending the Constitution to authorise this extension of its jurisdiction. This was confirmed by Parliamentary Legal Advisor Fatima Ebrahim, who recommended that the Constitution be amended before the Bill was put before Parliament.

However, a constitutional amendment required a two-thirds majority in the National Assembly, which the ANC could not muster. This explained the ANC’s insistence that the Bill should comply with the Constitution and be capable of adoption by simple majorities in both houses. The IRR argued that the National Assembly should not have adopted an unconstitutional Bill and the NCOP should avoid following suit. The Bill was fatally flawed and should be abandoned, the IRR urged.

**Submission to the Electoral Commission of South Africa (IEC) regarding the possible introduction of electronic voting in South Africa, 30 September 2025**

Here, the IEC sought public comment on the supposed need for South Africa to adopt an electronic voting (e-voting) system. However, the IRR argued that e-voting was less transparent than the current manual system and hence more vulnerable to manipulation. A central concern was the “black-box” nature of electronic voting machines, which lacked the visibility of manual ballots. This largely explained why 81% of countries still used manual systems. In addition, several nations – including Germany, the Netherlands, and Namibia – had abandoned e-voting over concerns about security, lack of transparency, and/or unconstitutionality.

The Constitution obliged the IEC to provide “free and fair” elections. To meet this obligation, an e-voting system in South Africa would have to be a hybrid one,

incorporating a Voter-Verified Paper Audit Trail (VVPAT) available for subsequent manual counting. However, a hybrid system was costly, as it duplicated electoral processes without providing either speed or efficiency advantages. In addition, VVPAT safeguards may not suffice to prevent election fraud, as illustrated by the presidential election in Venezuela in 2024. Here, a flawed electronic count was allowed to trump an accurate contrary count from the paper audit trail – and then endorsed as free and fair by the relevant electoral authorities.

As the Venezuela example also showed, e-voting required high levels of trust in the institutions administering and certifying election outcomes. However, only 8% of South Africans trusted the IEC “a lot”, while many were concerned that the ANC’s policy of cadre deployment had eroded its independence. The IRR noted that the IEC had displayed a persistent bias in favour of e-voting – and urged it to abandon its pursuit of this risky and costly option. Like 81% of other countries, South Africa should retain its traditional manual system in which safeguards were both easy to comprehend and more effective than those e-voting can provide.

#### **Submission to the Department of Forestry, Fisheries and the Environment regarding the Draft Regulations on Carbon Budget and Mitigation Plans under the Climate Change Act of 2024 (30 September 2025)**

The draft regulations were put forward by the Department of the Environment, Forestry and Fisheries under the Climate Change Act of 2024. If adopted in their current form, the IRR said, they would significantly damage the economy and worsen de-industrialisation.

The draft regulations placed enormous reporting and compliance burdens on companies, including state-owned ones, in many sectors (including energy, steel, and cement) that produced carbon dioxide (CO<sub>2</sub>) emissions above specified thresholds. All these companies would have to reduce their emissions in line with state-imposed carbon budgets. They would also be subject to onerous reporting requirements that were sure to push up costs and create administrative bottlenecks. In addition, all these companies would be vulnerable to draconian sanctions, involving heavy criminal penalties (fines of up to R10 million and/or imprisonment for up to ten years), coupled with higher carbon tax rates for those exceeding their carbon budgets. This would subject many companies to a form of “double jeopardy”.

Companies would also be obliged to introduce costly and often unproven new technologies to reduce their emissions. This obligation could push Eskom into the premature decommissioning of its coal-fired power stations before reliable alternatives were available. Load-shedding could then return, while electricity prices would rise sharply, as had happened in the United Kingdom and Germany. This would place enormous burdens on consumers and a struggling economy. It could also leave the poor with little choice but to burn wood or coal inside their homes, increasing their exposure to harmful indoor pollution.

The IRR urged a different approach, focused on innovation and adaptation. It cited Dr Bjorn Lomborg’s research showing that investing in green R&D (on small modular nuclear reactors, for example) offered a more effective way to reduce global emissions than the unattainable (and increasingly discredited) goal of “net zero”. The IRR further recommended that South Africa prioritise economic growth, job creation and rising prosperity, as this would enhance its capacity for environmental stewardship and climate resilience.

#### **Submission to the Department of Small Business Development regarding the Business Licensing Bill of 2025, 28 November 2025**

This Bill sought to replace the Businesses Act of 1991, under which the National Party government belatedly repealed the many discriminatory laws that had long prevented black people from doing business in supposedly “white” central business districts and

other areas. The 1991 Act also repealed 18 statutes and a host of provincial ordinances requiring business licensing. In doing so, it established an important new principle: that *no business should need to obtain a municipal licence, except in the limited circumstances it set out (the sale of perishable foodstuffs, for example).*

The Bill sought to repeal and replace this sensible statute. It also aimed to establish a different general principle: that all *“designated” business undertakings must obtain a municipal licence unless they were expressly exempted.*

At the very least, the Bill would require most businesses, both big and small, to obtain a general municipal licence to operate. This would be in addition to whatever other sectoral licences or permits these enterprises might already require. At worst, the Bill would also be used to impose binding BEE obligations on family-owned businesses and other small enterprises currently outside the BEE net. This would greatly increase the heavy costs of BEE rules and make it harder still to generate the growth and jobs vital to upward mobility.

Under the Bill, new municipal licences would remain valid for a maximum of five years, while many might be granted for shorter periods. This would add to implementation costs, as well as the bureaucratic burden of the Bill. This burden would primarily fall on municipalities often already unable to fulfil core functions such as the distribution of electricity, the treatment of sewage, and the maintenance of essential infrastructure. Instead of being able to focus on these important needs, dysfunctional municipalities would have to put major resources into repeated rounds of business licensing and renewal.

The IRR urged the government to abandon the Bill. With growth rates so low and unemployment rates so high, the government should be intent on taking the brakes off the economy, not adding more. If the Bill became law, the IRR added, the business environment would become more hostile to private enterprise, while the disadvantaged would find it harder to escape destitution.

#### **Written Representations to the Speaker of the National Assembly regarding the Implementation of the International Convention on the Suppression and Punishment of the Crime of Apartheid Bill, 2025, 14 December 2025.**

In 2024 South Africa acceded to the 1973 International Convention on the Suppression and Punishment of the Crime of Apartheid. Its aim in doing so was to help the government “confront apartheid practices elsewhere in the world.” The Implementation Bill – which was put forward as a private member’s bill late in 2025 – would help achieve this goal by incorporating the 1973 Convention into South Africa’s domestic law.

Once this had been done, South Africa’s domestic courts would have universal jurisdiction to convict and imprison – potentially for life – individual representatives of alleged “apartheid” states and of the companies that “support” apartheid by doing business with them. The National Prosecuting Authority would be able to obtain “sealed” (or secret) arrest warrants against such individuals at any time. However, they would have to be “present” in South Africa before they might be arrested and prosecuted here.

The IRR pointed out that South Africa had already acceded to the 1998 Rome Statute of the International Criminal Court, which also defined apartheid as a crime against humanity. In 2002, it enacted an implementation statute for the Rome Statute, which already enabled it to prosecute people for apartheid crimes committed anywhere in the world provided they were present in the country. However, it was difficult to secure convictions under the Rome Statute, which had a narrow definition of apartheid. It required proof of “inhumane acts” (such as murder, extermination, torture and persecution), which must also be committed with the sole intention of maintaining systemic oppression and domination against a racial group.

The 1973 Convention had a much broader definition of the apartheid crime against humanity. Under this, the mere enactment of a “legislative measure” that was “calculated to prevent a racial group...from participation in the political, social, economic and cultural life of the country” might suffice for conviction. This wording was vague and open to abuse. The 1973 Convention also extended culpability to states or companies that “directly abet” apartheid crimes, whereas the Rome Statute had no equivalent provisions. The Bill went even further than the 1973 Convention in this regard, for it extended culpability to those who merely “encourage, support or maintain the crime of apartheid.”

South Africa had not explained why it wanted to enact a second implementation statute, but its motive seemed to be illegitimate “forum shopping”. It sought to bypass the Rome Statute and rely on the vague 1973 Convention because this would facilitate the conviction of pre-selected states, such as Israel. It would also use the 1973 Convention to prosecute and punish companies alleged to have “supported” Israel’s supposed apartheid crimes.

Under the Bill, a South African court could convict, say, a visiting member of the Israeli Knesset (legislature) for participating in the enactment of a law the court saw as barring Palestinians from “participation” in the “social” and “cultural” life of the Jewish state. South Africa’s courts could also convict visiting board members of companies alleged to have “supported” this apartheid crime by supplying Israel with arms, loans, or other goods and services.

If South Africa attempted to use the bill in this way, it would likely be seen by the US and other Western democracies as a “rogue” state intent on bypassing the appropriate convention (the Rome Statute) to obtain unwarranted convictions against countries and companies on spurious grounds. This could result in sanctions of various kinds. The ANC’s focus on prosecuting “apartheid states” for policies implemented way beyond our borders could also alienate many of its supporters, as this will divert scarce resources from the vital fight against crime inside the country. The IRR urged that the Bill be abandoned.

**Refer to the appendix for updates on legislative progress.**

### ***Blueprint for Growth***

The Blueprint for Growth series was inaugurated to set out the problems afflicting growth prospects and to suggest policy alternatives to expedite growth.

#### **Blueprint for Growth 1: Arming SA’s Pro-Growth Forces (John Endres) (January)**



This paper set out the imperative of economic growth as the fundamental condition for resolving South Africa’s numerous socio-economic challenges. It also explained the overall contours of the measures needed to achieve it, targeting an annual level of 7%. To achieve this, South Africa needed policy and governance change. The focus would need to be on fortifying the foundations of the economy – through the expansion and maintenance of infrastructure – and on reforming the investment climate to enable a compelling case to be made.

### **Blueprint for Growth 2: Cut VAT & BEE (Gabriel Crouse) (February)**



This Blueprint examined tax and tax policy in South Africa, arguing that the country was effectively overtaxed. South Africa's tax base was extremely narrow given the scope of the state's ambitions, and the efficacy of state spending. Reducing the unnecessary and counterproductive expenditure inherent in BEE would create space to cut VAT, which would return some R100 billion into the hands of ordinary people who understood the value of their own money.

### **Blueprint for Growth 3: In service of the public: Reforming South Africa's Public Administration (Terence Corrigan and Sara Gon) (May)**



The failure of South Africa's public administration had been a significant hindrance to its economic fortunes. Not only had inappropriate policy been imposed on South Africa, but the country had been ill-served by its public service: politicised, often indifferently skilled and poorly managed. This was a consequence of deeply politically and ideologically inflected choices. The solution presented in the paper was to commit to a meritocratic ethos, empowering everyday management, and the need to prepare for ongoing adaptability in a constantly changing world.

### **Blueprint for Growth 4: Reinforcing South Africa's Growth through Infrastructure (Anlu Keeve) (July)**



This Blueprint examined the role of South Africa's infrastructural deficiencies in undermining growth. Looking at such factors as electricity, water and logistics systems, it described an environment of widespread crisis, in dire need of investment and maintenance. It pointed out that the country needed to raise public fixed investment from 4.1% of GDP in 2023 to 10% by 2030. To achieve this, it argued, state spending on infrastructure had to be increased, while non-state resources in the form of public-private partnerships needed to be expanded.

### Blueprint for Growth 5: Generating Jobs and Skills (Anthea Jeffery) (August)



The need to put millions of people into productive and remunerative work was a seminal issue for South Africa's future. The IRR had long argued that many were denied economic opportunity by a labour relations regime that disincentivises low-wage and entry-level work and was particularly disadvantageous to those without skills. This Blueprint recommended more flexibility to labour legislation and reforms to the educational system – in particular, it advocated abolishing the Sectoral Education and Training Authorities, placing more focus on vocational training, and tightening up entry criteria for university entry. Employment and skills development, meanwhile, would be further encouraged by applying the principles of the IRR's EED.

### Blueprint for Growth 6: "Open(ing) for business": South Africa's investment malaise and how to escape it (Terence Corrigan) (October)



This Blueprint looked at South Africa's pressing need for investment. The National Development Plan had envisioned a level of investment of some 30% of GDP over an extended period. South Africa had only managed to exceed 20% in one year since 1994 – this while comparable economies were managing well over 30%. This was attributed to a failure to provide a compelling case for investment: crime, infrastructural failings, skills shortages, and administrative shortcomings. It recommended governance reform and policy change that took proper account of the imperatives of growth and made a realistic appraisal of South Africa's capacities.

### Blueprint for Growth 7: Breaking the BEE barrier to growth (Anthea Jeffery) (December)



The issue of Black Economic Empowerment (BEE) policy had been an important one for South Africa's economic trajectory. This paper capitalised on the enormous volume of research and analysis that the IRR had done over the years to explain that it had ultimately been damaging to the country and had limited its economic prospects. The paper restated the IRR's alternative: EED, which would take economic growth as its foundational premise and would target benefits at the country's poorest people in order to promote economic activity and ensure that those in need received its advantages.

## Blueprint for Growth 8: Solutions to SA's crime crisis to boost growth (Ricardo Teixeira) (December)



This Blueprint dealt with South Africa's crime crisis, the impact of this on the economy, as well as possible solutions. It noted that while there had been some positive developments – such as the increased attention paid to corruption via the Madlaga Commission, and the formal adoption of Evidence-Based Policing – more than improved tactical performance was necessary. Structural reforms were needed, such as decentralising policing, rebuilding specialised policing units and thoroughly depoliticising the service. Ultimately, given the poor reputation of the South African Police Service, a new police service, with completely rejuvenated branding might be required.

## Occasional reports

Occasional reports were published, as and when appropriate, to analyse topical themes or policy issues germane to any of the priorities of the IRR.

### Pro-Growth or Pro-Poverty: Findings of IRR Polling 2025, Report 1: The Political State of Play as of April 2025. (Hermann Pretorius) (April)



In April 2025, the IRR published *Pro-Growth or Pro-Poverty: Findings of IRR Polling 2025 – Report 1: The Political State of Play as of April 2025*, authored by Hermann Pretorius, presenting a detailed snapshot of South Africa's political state of play one year after the 2024 election and the formation of the Government of National Unity. Drawing on national polling conducted in March and April 2025, and benchmarked for various findings on the state of politics against IRR polling from late 2024, the report documented a sharp shift in voter sentiment driven by the VAT-hike debate and GNU tensions. It recorded the DA overtaking the ANC in IRR polling for the first time and highlighted a growing public preference for growth-oriented politics over redistributive framing.

### Pro-Growth or Pro-Poverty: Findings of IRR Polling 2025, Report 2: Policy Preferences of Registered Voters (Hermann Pretorius) (May)



In May 2025, the IRR published *Pro-Growth or Pro-Poverty: Findings of IRR Polling 2025 – Report 2: Policy Preferences of Registered Voters*, again authored by Pretorius, extending the Institute's annual polling programme beyond party support to examine public attitudes to policy choices. Drawing on the same nationally representative survey conducted in March and April 2025, the report analysed voter preferences on economic growth, job creation, taxation, public procurement, healthcare, and welfare. Its findings challenged entrenched assumptions about voter priorities, revealing strong and consistent support for growth-oriented, value-for-money policies over race-based redistribution. The report provided an empirical foundation for the IRR's case that pro-growth reform aligned closely with mainstream public opinion.

### Enemy of Growth: The Ideology Holding South Africa Hostage (Anthea Jeffery) (May)



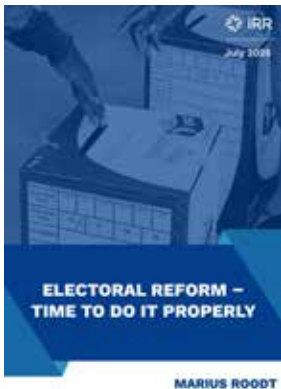
This was an updated summary of Jeffery's acclaimed book of 2023, *Countdown to Socialism*. It made the case that the ANC and its allies had been following a programme to take South Africa down a path towards socialism through the National Democratic Revolution. This explained many counterproductive and economically damaging interventions, and was a warning that the Government of National Unity should not be seen as a turning point, but rather as a tactical adjustment by the ANC, with many more interventionist and growth-retarding plans in store if suitable circumstances arose.

### Lessons for South Africa from Argentina's Radical Economic Reforms (Ivo Vegter) (May)



This paper observed that since Javier Milei assumed the presidency of Argentina in December 2023, he had slashed red tape, gutted bloated government, and turned the country around. It asked what lessons South Africa could learn from this. It argued that the Argentinian experience showed that quick-fix solutions did not succeed against the background of long-term economic retardation, that a measure of pain had to be endured, and entrenched ideological "red lines" challenged. It was also necessary to show leadership and explain the direction that reforms were taking to build support for them.

### Electoral reform – Time to do it properly (Marius Roodt) (July)



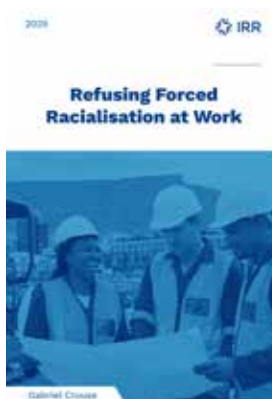
Tackling the much-debated topic of South Africa's electoral system, this paper argued that the current system was no longer optimal for South Africa because it vested power in party hierarchies and undermined accountability. The limited reform that tried to bolt independent candidates onto a party-centric voting system was inadequate. Drawing on a large amount of published work and the view of experts in the field, the study concluded that the country would be well served by a mixed system of single-member constituencies along with party lists to ensure that a generally proportional representation of party support was attained.

## Pro-Growth or Pro-Poverty: Findings of IRR Polling 2025, Report 3: Race and Race Relations in South Africa Today (November)



In November 2025, the IRR published *Pro-Growth or Pro-Poverty: Findings of IRR Polling 2025 – Report 3: Race and Race Relations in South Africa Today*, again authored by Hermann Pretorius, completing the Institute’s trilogy of 2025 polling reports. Drawing on national survey data collected in March and April 2025, the report examined lived experiences of racism, public attitudes to race-based policy, and the role of race in political choice. It found that while racism remained a social reality, voters overwhelmingly rejected its political instrumentalisation and defined national priorities in non-racial, socio-economic terms. The report documented broad support for merit, fairness, and opportunity over racial quotas, underscoring the electorate’s increasingly deracialised outlook.

## Refusing forced racialisation at work (Gabriel Crouse) (December)



This report, timely in view of new BEE strictures that had introduced what amounted to racial and gender quotas in all but name, examined how BEE had become a significant obstacle to the career prospects of many South Africans of all backgrounds: it had anti-black, anti-coloured, anti-Indian, and anti-white consequences that were conscientiously objectionable to non-racialists. The paper argued that the Constitution guaranteed rights to privacy, bodily integrity, and conscience, which made it unlawful to compel individuals to disclose their race against their will. Refusing forced racialisation could itself be a conscientious, patriotic act, grounded in South Africa’s non-racial moral tradition and consistent with the constitutional order.

## South Africa Survey

The annual *Survey* provides quantitative data on all the most important aspects of South Africa, including the economy, government finances, living standards, healthcare, crime, education, and demographics. At over 800 pages of tables and graphs, there is no more comprehensive a statistical reference guide to the country. It is an indispensable guide for any individual or organisation with interests in South Africa.

The 2026 edition was published in May 2026 as two different versions: the *South Africa Survey* under the banner of the IRR, and the *Socio-Economic Survey of South Africa* under the banner of the CRA. Fourteen chapters were featured, as listed below. These were also published as stand-alone PDF and Excel reports:



- Demographics
- The Economy
- Public Finance
- Employment
- Assets and Incomes
- Business and Infrastructure
- Industrial Relations
- Education
- Health
- Social Security
- Living Conditions
- Communications
- Crime and Security
- Politics and Government

## IRR Media

*Objective: To publicise the research and advocacy of the IRR and strengthen the argument, and public support, for liberal ideas in society and the economy.*

Reasoned optimism remained the key offering of the IRR, and one which the media figures for 2025 suggested was finding more sympathetic attention than ever in a society that had good reason to be doggedly pessimistic.

IRR polling suggested that, in the tavern, around the braai and at the dinner table, the common threads running through South African conversations emphasised much the same priorities (jobs, better prospects, safety, efficient services, a brighter future) which aligned with the policy and analytical thrust of the IRR: liberty and growth.

Visible, credible and trustworthy arguments were central to sustaining popular confidence in liberal ideas about abandoning racialism, stimulating private enterprise and creating an efficient, responsive state. This was the goal of the IRR's media efforts.

The scale of the IRR's engagements in the battle of ideas is reflected in the substantial numbers of opinion pieces published, citations in the media, interviews on radio and television and in print, press releases issued, and posts delivered across the most-read social media platforms in the final quarter of the year, as in the first three of 2025.

A key theme of 2025 was the marked shifts in the media environment – chiefly a shift away from traditional forms and “venues” such as printed newspapers, but also conventional or mainstream online sites, both categories coming under market pressure as social media and other new forms of media, such as podcasts, found increasingly receptive audiences from ready consumers of news and opinion, who had less time or less patience, or were easily bored.

It warrants repeating that the IRR's successes in keeping pace with constantly shifting media trends and audience appetites rewarded the efforts of Head of Strategic Communications Hermann Pretorius and his team – Makone Maja, Mbali Mayisela, Talya Beyers, Chris Patterson and Bonginkosi Tekane – who were placing liberal ideas and IRR proposals based on them directly into the daily conversations of people well beyond, and quite likely indifferent to, the metropolitan preoccupations of the intelligentsia.

In the almost inconceivable growth in Facebook and X metrics was evidence of the quiet revolution of a public beginning to think differently about its fate.

Supporting that portentous mindshift, and providing the logic and language for thinking about and visualising a different future, was central to IRR writing throughout 2025.

Notable instances in the fourth quarter included:

- Terence Corrigan's *Business Day* letter of 6 October, "LETTER: Message from auditor-general is politically unpalatable" ([link](#))
- John Endres's BusinessLIVE column of 16 October, "SA's starving children expose our economic and moral failure" ([link](#))
- Michael Morris's *Business Day* column of 3 November, "IRR proposes shift from race to value in procurement" ([link](#))
- Hermann Pretorius's right of reply in *The Citizen* of 18 November, "IRR responds to quota campaign criticism, no apology" ([link](#))
- Gabriel Crouse's News24 piece of 9 December, "OPINION | Free speech: Why we must debate if SA is the world's most race-regulated country" ([link](#))
- Terence Corrigan's letter in *Business Day* of 9 December, "SA's policies are to blame for low rate of investment" ([link](#)), and
- Gabriel Crouse's *Daily Maverick* piece of 21 December, "Right of reply: Why do BEE defenders resent IRR polling?" ([link](#))

As noted before, an increasingly vital part of the IRR's media work – energy and effort spent on sharing our thinking and winning adherents – was the *Daily Friend*. For example, 205, or 72.6%, of the 282 opinion pieces published in the final quarter of 2025 in the service of liberal ideas appeared in the *Daily Friend*. (Of these, 54 were reused – in effect, amplified – by other outlets, such as *Biznews* and *DefenceWeb*).

The impact was given additional force – perhaps unique to the liberal camp – by the IRR's commitment to exposing its ideas to scrutiny, airing contrary views of key features of our domestic and global story and encouraging the widest public debate about every question that is central to South Africa's succeeding as a democracy and as an economy, the two inseparable elements of success.

In our readable – argumentative, challenging – journalism could be found the vitality of the liberal proposition, the wellspring of its optimism, that the best ideas do have the best chance when every idea has a chance.

For this to work, South Africans had to be drawn to what the IRR had to say, hence the significance of the substantially higher number of people who consulted the IRR's website, and its detailed proposition for an achievable economic turnaround – set out in the *Blueprint for Growth* report series – and the legal framework for a non-racial, economically dynamic future, set out in the *#WhatSACanBe initiative*.

The number of published opinion pieces in 2025 totalled 1,241. Over and above that number, the IRR was cited 465 times in the media, gave 281 interviews, issued 128 press releases and released 474 audio/video clips. Cumulatively, this meant the IRR appeared in the media 2,589 times, or around 7 times per day. Add the 5,485 social media posts, and the number rose to over 22 appearances per day. These totals included figures reported separately under Campaigns, the *Daily Friend*, and CRA. Maintaining or even increasing this high visibility would require the steady application of the IRR team's energy, commitment and brain power.

## **IRR Campaigns and Communications**

*Objective: To enhance the visibility of the IRR through issue driving, inserting the IRR's research and ideas into public debate proactively.*

During 2025 the IRR's *#WhatSACanBe* initiative developed from a new strategic concept into the organisation's central platform for public mobilisation, policy advocacy, and legislative engagement. Early in the year the Campaigns Unit deliberately repositioned its work around the initiative, shifting away from a primarily reactive posture toward a more assertive effort to shape the national conversation around economic growth, non-racialism, and opportunity. Built around a single *#WhatSACanBe* Pledge and a series of proposed reform laws, the initiative provided a clear framework through which supporters could rally behind a positive and practical vision for South Africa's future. The aim was not only to challenge harmful policy trends but also to demonstrate that credible alternatives exist and can command public support.

As the year progressed, the initiative translated this framework into sustained public activity. Campaign work centred on the IRR's Freedom Bills, including the No More Race Laws, Right to Own, and Freedom From Poverty Bills, which served as focal points for petitions, public education, and institutional engagement. Through media commentary, webinars, supporter communications, and targeted outreach to political and civic actors, the campaign steadily expanded its audience while embedding the IRR's policy proposals in national debate. Subscriber growth and petition momentum demonstrated that the message was resonating, while the integration of the Content and Campaigns Team improved coordination between research outputs, creative production, and advocacy work.

By the end of the year the initiative had evolved into a more mature platform for institutional engagement. The introduction of the Value For Money Bill broadened the legislative reform agenda, national polling on race relations and public attitudes strengthened the campaign's evidentiary foundation, and preparations began for structured parliamentary outreach in early 2026. Throughout this development, the campaign maintained a clear narrative challenge to race-based policy frameworks, framed as forms of "fake transformation" and "race conscription", while simultaneously expanding engagement with business leaders, civic organisations, and diplomatic stakeholders. Taken together, these developments established *#WhatSACanBe* not merely as a communications campaign but as a growing movement around a coherent legislative agenda aimed at expanding freedom, opportunity, and prosperity in South Africa.

### **Campaign Performance Metrics**

Over the course of 2025 the *#WhatSACanBe* initiative steadily built a large and increasingly engaged community of supporters around the IRR's reform agenda. By year-end the initiative's leads base had grown to 69,277 individuals, with 45,304 active subscribers receiving regular updates and campaign communications. Within this audience lies a significant opportunity for further mobilisation. 24,956 subscribers have not yet signed a petition, endorsed the *#WhatSACanBe Pledge*, or made a donation, indicating that a large share of the audience remains open to deeper engagement. At the same time, 29,508 supporters have already taken the step of signing a campaign petition or the *#WhatSACanBe Pledge*, while 484 individuals have gone further by contributing financially, demonstrating the campaign's emerging ability to translate interest into meaningful support.

Momentum has not been uniform across all campaigns, but the overall direction has been one of steady expansion. No More Race Laws continues to anchor the initiative's mobilisation efforts and remains the largest campaign base with 21,236 supporters, reflecting the strength of public concern about race-based policy frameworks. The Right

to Own campaign has built a substantial following of 4,835 supporters, while Better Health has attracted 2,577, and Value For Money, launched later in the year, quickly gathered 1,698 supporters as debate around government efficiency and public spending intensified. Freedom From Poverty continues to develop its base with 636 supporters, while 8,517 individuals have signed the *#WhatSACanBe Pledge*, signalling support not merely for a single reform proposal but for the broader vision of a freer, more prosperous, and non-racial South Africa. The introduction of the Value For Money Bill proved particularly effective in attracting new supporters, producing the most visible increase in signatories toward the end of the year.

Behind this growth has been a steady rhythm of communication with supporters. Between 1 October and 31 December 2025, the IRR sent 17 mass email updates, with the final message of the year reaching 42,824 subscribers. Engagement levels remained stable and healthy for a list of this size: the average open rate was 23.98%, the average click rate 0.38%, and the unsubscribe rate 0.53%. These figures reflect a mailing list that remains responsive and attentive, allowing the IRR to keep supporters informed, reinforce campaign narratives, and guide readers gradually from awareness to action, whether through signing petitions, endorsing the pledge, or contributing financially to the work of advancing the IRR's reform proposals.

### **Campaign Publications**

Over the course of 2025 the Freedom Bills increasingly became the engine room of the *#WhatSACanBe* initiative. What began as a set of draft reform proposals developed into a practical way of turning the campaign's vision into concrete political debate. Each Bill served two roles at once: a policy blueprint for a freer, more prosperous South Africa, and a rallying point around which supporters, institutions, and policymakers could engage with the IRR's reform agenda.

The most visible development during the year was the introduction of the Value For Money Bill, launched publicly on 29 October. The proposal tackles one of the most widely felt frustrations in South African governance: the waste, patronage, and corruption that have hollowed out public procurement and undermined service delivery. By focusing on value-based tender adjudication, transparency in public contracts, stronger consequences for corruption, and better payment discipline toward suppliers, the Bill framed procurement reform not as an abstract technical issue but as a practical way of restoring competence in government. Its launch resonated strongly with supporters and quickly became an important new mobilisation point for the campaign.

Throughout the year the No More Race Laws Bill remained the largest and most established pillar of the Freedom Bills programme. Support for the proposal continued to grow steadily, confirming that the question of race-based legislation remains central to South Africa's policy debate. As the campaign developed, the Bill was increasingly presented not as a single-issue reform but as part of a wider shift toward non-racial, growth-oriented policy. The argument advanced through the campaign was simple: removing race-based mandates is not an end in itself, but a necessary step toward rebuilding investment confidence, expanding opportunity, and restoring social cohesion.

The Right to Own Bill ensured that property rights remained firmly on the reform agenda during 2025. Campaign work during the year focused particularly on the practical implications of the Expropriation Act, pressing for greater transparency about how the law might be implemented and how many authorities would ultimately be empowered to expropriate property. Correspondence with the Minister of Public Works and Infrastructure sought clarity on these questions, while preparatory steps were taken toward the possible use of PAIA mechanisms if necessary. This work reinforced the campaign's broader message that secure property rights remain one of the foundations of economic stability and investment confidence.

The Freedom From Poverty Bill, a legislative packaging of the IRR's EED policy, and the Better Health Bill, a free-market alternative route to the NHI for greater access to quality care for even the most economically destitute, continued to form part of the wider policy framework throughout the year. Though attracting lesser intensity in engagement, both these law proposals remained part of the campaign's messaging, illustrating how South Africa could move beyond race-based policy toward reforms centred on growth, opportunity, and needs-based empowerment.

Alongside the legislative campaigning itself, the *#WhatSACanBe* initiative pursued a deliberate strategy of engaging institutions, political and corporate, seeking to challenge especially on empowerment and upliftment policies. Conversations with business leaders explored the economic and compliance costs associated with race-based policy frameworks, described in campaign messaging as forms of "fake transformation." These discussions, intended to be ongoing, are meant to surface the real economic consequences of existing policy and encourage greater openness about the constraints businesses face.

The campaign also sought dialogue with civic and moral leaders, including renewed attempts to engage the South African Council of Churches on the ethical implications of race-based policy frameworks. Although early approaches did not lead to immediate engagement, the effort reflected a broader attempt to move the debate beyond technocratic policy discussion into the realm of moral and civic leadership.

At the same time the *#WhatSACanBe* initiative increasingly adopted a posture of direct accountability toward political leadership, challenging claims about the success of BEE and related policies. Through correspondence, commentary, and research-backed interventions, the campaign worked to establish a simple but important principle in public debate: that powerful policy narratives can and should be tested against evidence.

Research played an important role in supporting this effort. During the year the IRR published new IRR polling on race relations and public attitudes, revealing strong cross-demographic support for merit-based appointments, non-racial policies, and responsible public spending. These findings were widely shared through media engagement and webinars, reinforcing the campaign's central claim that its proposals reflect the instincts of many South Africans rather than a narrow ideological constituency.

Taken together, these developments meant that by the end of 2025 the Freedom Bills had satisfactorily evolved into more than a set of draft laws, giving the *#WhatSACanBe* initiative a distinct character of proactive problem solving with "oven-ready" solutions.

### **Systems Integration and Operational Improvements**

One of the quieter but most important developments of 2025 was the steady strengthening of the operational machinery behind *#WhatSACanBe*. Early in the year the IRR merged its campaigning function with the Digital Media Production Team to form the Content and Campaigns Team (CCT) – a move intended to bring research, storytelling, and mobilisation into a single operational rhythm. Instead of policy papers appearing in isolation, communications, events, petitions, and supporter outreach could now move together as part of one coordinated campaign cycle.

This shift built on the broader strategic pivot that accompanied the launch of *#WhatSACanBe* itself. The campaign replaced the older, more passive "Friends of the IRR" model with a far more active supporter journey: individuals encounter an issue, sign a petition connected to one of the Freedom Bills, endorse the *#WhatSACanBe Pledge*, and then move gradually toward deeper involvement and financial support. Every policy intervention therefore also becomes a moment of mobilisation and supporter growth.

Over the course of the year this model began to show its value. Campaign activities, such as policy explainers, webinars, media engagement, and petition drives, started

to follow a repeatable pattern that made the initiative easier to scale. The Value For Money Bill launch toward the end of the year illustrated how the model now works in practice: the policy proposal, webinar event, subscriber communications, and petition mobilisation were all coordinated within a single campaign moment. Instead of simply publishing a reform proposal, the IRR could now turn each legislative idea into a public mobilisation effort that expanded the campaign's reach.

### **Strategic Assessment and Outlook**

By the end of 2025 the strategic logic behind *#WhatSACanBe* had become clearer. The campaign's strength lies in combining three elements that are too often separated in public debate: a compelling national narrative, credible research, and practical legislative proposals. The Freedom Bills translate the campaign's vision into concrete reforms; the polling and research show that many South Africans already share the instincts behind those reforms; and the campaign platform allows those ideas to reach a growing public audience.

The introduction of the Value For Money Bill broadened the initiative's appeal in an important way. While much of the campaign's earlier momentum had centred on challenging race-based policy frameworks, the procurement reform agenda connected the campaign to another issue that resonates deeply with South Africans: the daily cost of corruption, waste, and failing public services. At the same time, the publication of new IRR polling on race relations and public attitudes reinforced the campaign's central claim: that support for merit, non-racialism, and responsible governance is not marginal, but widely shared across the country.

The year also saw the first steps toward a more direct engagement with the political system itself. Outreach to Members of Parliament signalled that the initiative is moving beyond mobilisation alone toward structured legislative advocacy. With a growing supporter base, a clearer campaign structure, and a portfolio of reform proposals already circulating in public debate, *#WhatSACanBe* now enters the next phase of its development: turning public support and policy ideas into sustained engagement with the institutions where South Africa's laws are ultimately made.

### **Priorities for 2026 include:**

The coming period will see the start of structured engagements with Members of Parliament across party lines on the published *#WhatSACanBe* Bills, with particular strategic emphasis on advancing the Value For Money Bill. Alongside this parliamentary work, efforts will be intensified to improve transparency around property rights, including the use of formal information requests where necessary to bring greater clarity to how rights are administered and protected. The IRR will also actively draw on the insights of its 2025 polling to sustain informed engagement with both Parliament and the media, ensuring that the views of ordinary South Africans are more clearly reflected in the national conversation.

At the same time, attention will remain focused on strengthening the IRR's recurring donor base, providing the support needed to expand institutional activity and public impact. Complementing these initiatives will be the launch of a "Race Conscriptio Form Library", a new public platform where South Africans can upload or submit official documents that require racial classification, helping to document the continued reach of race-based bureaucracy in everyday life.

In addition, the IRR will begin expanding its focus on building an overseas supporter base through the creation of an IRR Diaspora Survey, to be distributed organically through social media platforms. This initiative will aim to reconnect South Africans abroad with policy debates at home, while identifying opportunities for international support and engagement with the IRR's work.

## Conclusion

The year under review marked a meaningful turning point for the IRR's campaigning work. What began as a strategic experiment in early 2025 developed, step by step, into a functioning platform capable of mobilising supporters, shaping public debate, and presenting practical policy alternatives. The *#WhatSACanBe* initiative has demonstrated that there is real appetite in South Africa for reform ideas grounded in growth, non-racialism, and opportunity, and that these ideas can be communicated in a way that draws citizens into the conversation rather than leaving policy debate to elites alone.

At the same time, the year's experience has underscored that building a movement like *#WhatSACanBe* is necessarily gradual. The expansion of the supporter base, the growing number of petition signatories, and the early development of a recurring donor community all point in the right direction, but they also highlight the scale of the work still to be done. Converting interest into sustained engagement, and engagement into meaningful institutional influence, remains the central challenge for the initiative going forward. Crucially, the initiative, whilst doing much a think-tank like the IRR ought to be doing, must deliver greater donor loyalty and viability.

The Freedom Bills have given the campaign an important practical anchor. They have allowed the *#WhatSACanBe* issue-driving unity not only to critique existing policy frameworks but to present clear, workable alternatives. In doing so, they have helped move the organisation's public engagement away from purely reactive commentary toward a more constructive form of participation in South Africa's policy debate: one centred on solutions rather than merely on criticism. However, shortcomings remain in the media visibility of this work, and improvements for particularly gaining traction in traditional media are a high priority for 2026.

Internally, the integration of campaigning, communications, and elements of research capacity into a single operational structure has strengthened ability to act with coherence and purpose. At a review meeting towards the end of 2025, a constructive and promising point of feedback was that the *#WhatSACanBe* team worked well together: relations were positive and constructive, and trust was clear between group members. Given past failures and misfires in this area, the state of collegial affairs is heartening. The systems and workflows developed during 2025 have made it possible to ensure collaboration, connect ideas, enable communications, and allow for mobilisation in ways that were previously difficult to achieve. This institutional learning curve will remain one of the most valuable outcomes of the year.

However, what has been gained in stability might have had a cost in terms of dynamism. The risk for a form of issue-driving proactivity at the expense of reactivity is a risk that has come to the fore and requires particular attention in 2026.

Looking ahead, the task will be to deepen what has already begun, while ensuring honesty about success and failures, and their underlying causes. The next phase of *#WhatSACanBe* will require sustained and more public engagement with policymakers, continued growth in the supporter base with a dedicated focus on increased loyalty progression from lead to supporter to small-scale donor, and ongoing refinement of the campaign's ability to connect research with public conversation. The progress made during 2025 suggests that these ambitions are realistic, provided that the work continues with consistency, increased urgency, and a clear sense of deliverables towards a longer-term purpose.

The original approach to crowdfunding remains an important component of IRR fundraising. The Friends community continues to contribute generously to the IRR, with 7,558 Friends donating an average R74.26 per month.

## IRR Platforms

### The Daily Friend



*Objective: The aim of the Daily Friend is to promote liberal ideas and liberalism broadly through its writers, as well as provide a platform for material that other media groups may not carry.*

Changes in the *Daily Friend* team in 2025 included the departure of stalwarts Marius Roodt, Deputy Editor, and Sara Gon, Contributing Editor, and the appointment of Ricardo Teixeira as Associate Editor, and Junior Researcher Elnieke Bronkhorst, seconded from the IRR.

By the end of 2025, the *Daily Friend* recorded 753,714 unique visitors, down from 938,590 over the same period in 2024. Though this fell short of the annual target of one million unique visitors, average engagement time remained stable at 6 minutes 2 seconds, indicating sustained reader interest among the core audience.

Total pageviews reached 3,268,242, compared to 3.49 million in the corresponding period of 2024. Users read an average of 4.38 articles per visit. While total views declined year on year, the data suggested a committed readership that was spending more time on the site and engaging more deeply with content.

Audience participation remained strong throughout the year, with 37,730 comments posted during the 2025 calendar year.

On the newsletter front, the migration to the MailerLite platform involved a comprehensive cleanup of the mailing list, resulting in the removal of inactive subscribers. The transition, combined with a move to a generic sender address, contributed to a temporary increase in bounce rates and a short-term dip in engagement. With no advertising spend during 2025, subscriber growth was limited, and active subscriptions declined in the final quarter from 58,249 to 55,762.

The *Daily Friend* mailbox remained active, receiving automated responses, press releases, and reader feedback on campaigns and opinion pieces. Direct email engagement remained lower than anticipated, as most readers preferred to engage through on-site comments. All correspondence and technical issues were handled promptly and professionally.

Social media continued to play an important role in audience engagement, with mixed performance across platforms during 2025.

Facebook follower numbers declined from 66,738 at the end of 2024 to 65,430 in 2025, a net loss of 1,308 followers. Despite this contraction, impressions rose significantly to 640,701, up from 350,800 the previous year, indicating strong engagement levels among the remaining audience.

On X, formerly Twitter, follower growth was positive, increasing from 4,854 to 5,687, representing growth of 15%. However, impressions declined in 2025 following strong visibility growth in 2024. This suggested that while the follower base expanded, content reach did not increase at the same pace.

Instagram activity remained modest, with the platform ending the year on 1,026 followers. Although growth was limited, Instagram continued to support engagement with a niche audience focused on visual and short-form content.

Content production in 2025 was strong and exceeded several annual targets. By the end of the fourth quarter, 843 op-eds had been published against a target of 700, while

1,026 news items were published against a target of 1,000. Cartoon output fell marginally short of the target of 50, with 49 cartoons published.

The publication's core strength remained the breadth and quality of its contributors. Established writers including Ivo Vegter, Jonathan Katzenellenbogen, Sindile Vabaza, Barry D Wood, Martin van Staden, and Viv Vermaak continued to produce consistently strong work. They were complemented by newer contributors such as Steven Boykey Sidley, Greg Mills, Ray Hartley, Simon Lincoln Reader, and statistician Garth Zietsman. Associate Editor Ricardo Teixeira made an immediate contribution, particularly in the areas of security and military analysis. Together, these contributors delivered a balanced mix of political analysis, economic insight, social commentary, and data-driven perspectives.

The *Daily Friend* also continued to receive a high volume of unsolicited submissions from readers, covering a broad range of topics. These included contributions from, for example, DA leader John Steenhuisen, as well as commentary on topics ranging from foreign policy and liberalism to Nelson Mandela Bay's development prospects.

The *Daily Friend* maintained one of the strongest teams of editorial and opinion writers in the country.

Top-performing op-eds in 2025 reflected sustained reader interest in political, economic, and institutional issues. Dr John Endres's article, "The ANC is facing electoral oblivion", ranked first with 110,037 views, highlighting strong demand for analysis of South Africa's political trajectory.

Richard Wilkinson's "How Woke activism destroyed UCT's Professor Bongani Mayosi" placed second with 57,026 views, reflecting high engagement with debates around academic freedom and institutional culture.

Third place went to Endres's "Who wins Gauteng will decide South Africa's future", which recorded 37,762 views and was republished by *BizNews* and *Politicsweb*.

Overall, the 2025 results showed a smaller but more engaged audience, sustained content output, and continued strength in editorial quality and reader interaction.

### **Looking ahead**

The *Daily Friend* closed the fourth quarter of 2025 with a stable operational and editorial performance. While overall readership for the year remained below the one-million target, results for the last quarter confirmed a consistent pattern of strong engagement, high content output, and a committed core audience. The editorial focus remained South Africa's changing political environment, particularly the normalisation of coalition governance and the declining dominance of the ANC ahead of the next local government elections. Coverage consistently placed domestic political developments within broader global ideological and policy contexts, reinforcing the publication's analytical positioning.

A year-end strategy conference identified changes to be implemented in 2026, aimed at sharpening content coherence, improving distribution, and converting engagement depth into sustainable growth. These included replacing existing separate news pieces with a single daily "news roundup" (and, on Saturday and Sunday, a "news focus" piece).

It was also decided that a full review of the email newsletter would be undertaken to improve structure, engagement, and conversion. Other objectives included canvassing readers' opinions to better understand audience preferences, developing a greater presence in areas of social media – such as Instagram – where the *Daily Friend* had not been especially active, and exploring ways to expand on-the-ground reporting, including court reporting, for example.

## The Daily Friend Show



*Objective: Fight the battle of ideas through news analysis in the podcast and YouTube space.*

The *Daily Friend Show* consisted of four 15-minute episodes released Monday to Thursday, complemented by a longer 30-minute (or more) episode on Fridays.

In terms of the numbers, from January to December 2025, the *Daily Friend's* YouTube channel showed stable performance with signs of deepening engagement. Subscribers increased from 19,440 in 2024 to 23,992 in 2025, while video output rose slightly to 223 uploads. Average views per episode declined from 8,333 to 7,780, and total views eased from 1,824,904 to 1,735,053.

Impressions remained broadly steady at 14.1 million, down from 14.8 million in 2024. YouTube's reporting change in Q3 2025 replaced the "unique viewers" metric with a "monthly audience" metric, with the channel recording an average monthly audience of approximately 7,300. Despite lower reach metrics, total watch time increased to 232,400 hours, up from 230,300, indicating sustained engagement with long-form content.

Podcast performance was also solid, with 69,445 unique listeners and 138,486 podcast downloads recorded during the year, reinforcing the value of audio formats for reaching a committed audience. We also began producing "YouTube Shorts" (YouTube's version of TikTok) videos, which appeared to be well received.

Year-end plans for 2026 included introducing some longer-form content focusing on deep dives and interviews, as well as some debates.

## Liberal Club



*Objective: Foster discussion and learning within the IRR and the liberal community. Forge contacts with liberals across the world.*

The Liberal Club is a weekly discussion group which hosts speakers on a variety of topics relating to the battle of ideas. Speakers range from IRR staff members to local and international experts. Speakers usually speak for around 20-30 minutes and then club attendees ask questions of the speaker for another 50 minutes or so.

**The Liberal Club external speakers 2025**

Date	Topic	Speaker	Role
21 January	Caste systems around the world	Nicholas Lorimer	Geopolitics analyst
28 January	Public employment projects	Chris Patterson	IRR researcher
04 February	Making the taxi industry cashless	Anthony Stewart	Serial entrepreneur
11 February	South Africa's military disaster in the DRC	Chris Hattingh	DA shadow minister of defence
18 February	Argentina and Javier Milei	Sandra Ginsberg	Argentine expat
25 February	Tracks to prosperity: Realising the vision of the South Africa-Botswana rail corridor	Patrick Rankhumise	Senior business analyst at Anura Partners
04 March	OPUS Cactus: renewable fuel from cactus	Tony Dean	Co-founder and managing director of Opus Cactus
18 March	South Africa's public transport systems and taxi industry	Andrew Shaw	Transport system consultant
25 March	Israel's destruction of Hamas could change the global order to the benefit of the West	Sara Gon	Head of the Free Speech Union
01 April	A view from Washington	Chris Hattingh	Executive Director at the CRA

### The Liberal Club external speakers 2025

Date	Topic	Speaker	Role
08 April	Sailor Malan and the Torch Commando	Dr Yvonne Malan	Vice president and patron of The Spitfire Society
15 April	Schooling, character and agency	Ian Rowe	Senior Fellow at the American Enterprise Institute
22 April	The tumultuous and uncertain US-SA relationship	Terence Corrigan	IRR Project Manager
06 May	How the US-SA relationship cratered, and what might save it	Joshua Meservey	Senior Fellow at the Hudson Institute
13 May	Papal elections	Terence Corrigan	IRR Project Manager
20 May	Politics of Johannesburg and how the DA can win it	Richard Wilkinson	Attorney
27 May	The AI revolution	Professor Johan Fourie	Professor of Economics at Stellenbosch University
03 June	An overview of the South African political landscape	William Gumede	Associate Professor, School of Governance, Wits University
10 June	Is Transnet about to be turned around?	Brendon Hubbard and Evert de Ruiter	Rail industry experts
24 June	Commodities trading	Stuart Meyer	Thought leadership content creator
01 July	Iran's revolution in historical context	Edward Polsue	IRR associate
08 July	From democracy to dysfunction: the rise and stall of South African local government	Burgert Gildenhuys	Local government expert
22 July	Employment elasticity and the South African labour market's response to growth	Aidan Horn	Senior software engineer, Codera
29 July	Electoral reform in South Africa	Marius Roodt	IRR Staffer
05 August	The story of art	Elnieke Bronkhorst	IRR Researcher
19 August	The mood in Washington	Chris Hattingh	CRA director
26 August	Christopher Nolan's film "Oppenheimer"	Ofentse Donald Davhie	CRA analyst
08 September	Getting the politics right: economic reform as an extension of politics by other means	Jonathan Katzenellenbogen	Daily Friend writer
16 September	Music of the American Civil War: what it tells us about history	Terence Corrigan	IRR Project Manager
23 September	Lions led by donkeys: An organisational breakdown of the SANDF	Ricardo Teixeira	Associate Deputy Editor of the Daily Friend
29 September	Identity politics in South Africa	Reinet Loubser	Researcher and analyst
07 October	Very far from home: mining 3km deep	Chris de Vos	Veteran miner
21 October	Can you call a department an education department if it is an engine of inequality?	Professor Naicker	Professor of Education
28 October	FICA anti-money laundering law: the grand illusion	Brian Benfield	Director and senior associate of the Free Market Foundation
04 October	Overview of the NPAs asset forfeiture unit, the FATF and the role of the AFU in getting SA off the greylist	Adv. Kobus van der Walt	Advocate at the National Prosecuting Authority
11 November	Inside-out or outside-in governance: A consideration of Christianity and democracy in sub-Saharan Africa	Prof. Nicola de Jager	Chair and Associate Professor: Department of Political Science at Stellenbosch University
18 November	Dutch parliamentary elections: centre left or centre right, that's the question	Martijn Giezeman	Strategic organisational adviser

## Pledge to Vote



*Objective: Stem the decline in voter turnout and raise awareness of the 2026 local government elections.*

The Pledge to Vote campaign, which strictly speaking ended on election day (29 May) in 2024, aimed at stemming the decline in voter turnout and raising awareness of the 2024 national and provincial elections. The intention was to get people to make their pledge: a public commitment to voting. Once leads were generated, they were added to an email funnel and received content ranging from election FAQs, tips for voter registration and motivations to get fellow South Africans to also pledge, and ultimately vote.

The campaign was kept simmering at a lower level of intensity during 2025, and was to be updated and reactivated in the run-up to the 2026 local government elections (LGE). After removing all subscribers who did not open any emails, there were still 31,711 active subscribers on the Pledge to Vote mailing list. In 2024 and 2025, they received several post-election emails to keep them engaged, for instance by providing information about other ways to participate in democratic processes.

Although they did not receive any communications in the first quarter of 2025, they were introduced to the #WhatSACanBe campaign in April. Not only did this expand the reach of the #WhatSACanBe campaign and allow the campaign to grow its audience, but the positive, compelling vision of #WhatSACanBe could help maintain voters' faith in democracy and encourage them to vote for that vision in 2026 and beyond.

In September, an application for funding was submitted to the Konrad Adenauer Stiftung (KAS), which had provided funding for the campaign in the past. KAS agreed to provide R100,000 of funding for 2026, which was earmarked for use on social media advertising and emails once the new Pledge encouraging signatories to vote in the upcoming 2026 LGE was launched.

## Centre for Risk Analysis



*Objective: To provide strategic advice and scenario planning services to institutions and individuals with the broader objective of generating revenue for the IRR and contributing to the public policy debate.*

The CRA's international and domestic profile increased significantly in 2025. This included two working trips to the US, 93 formal briefings (an increase from 59 in 2024), and 123 radio, TV, and print interviews. The CRA's YouTube following grew to more than 47,000 channel subscribers.

Brand recognition and trust in the CRA's objective and dispassionate analysis of economic, political, and geopolitical developments translated into the acquisition of 8 new premium clients.

In 2025 Ofentse Donald Davhie joined the CRA as a Research Associate, with an additional focus on new sales and client relations management.

In the first quarter of 2026 the CRA was to roll out a separate *Risk Alert* subscription option with the aim of building a separate, light-touch revenue stream. It was decided the CRA's flagship 2026 Strategic Intelligence Briefing would be titled *Pulse of the Nation*. This briefing would provide clients with key economic and political polling data, coupled with a unique scenario set analysing the South African economy's prospects.

The CRA's client query service continued to be one of its most popular services. The query service, led by Head of Information Tamara Dimant, provided clients with reliable data and analysis within a 24-hour turnaround period. From 1 January to 31 December 2025, the CRA team answered 112 client queries.

During 2025, the CRA published the following reports and documents:

### **Fast Stats**

*Fast Stats* is a monthly report which updates subscribers on over 200 indicators for South Africa, providing data-driven insights into current political and economic trends. Twelve editions of *Fast Stats* were published in 2025.



#### **Fast Stats January 2025**

##### **Key takeaways:**

- The **Leading Business Indicator** in November 2024 was up 0.6% compared to November 2023.
- The **headline inflation** rate in December 2024 was up 0.6% compared to November 2023.
- The average **gold price** per ounce in 2024 was \$2,387.
- The average **crude oil price** (Brent/barrel) in 2024 was \$80.48.
- South Africa recorded a **merchandise trade** surplus of R196.1 billion in 2024.



#### **Fast Stats February 2025**

##### **Key takeaways:**

- The **Sacci Business Confidence Index** in January was down 1 point compared to December 2024.
- The growth in **money supply** in January was 7.1%, compared to 6.6% in January 2024.
- The average **platinum price** per ounce in February was \$946.
- The average **crude oil price** (Brent/barrel) in January was \$79.39.
- Total **vehicles sold** were up 9.5% for January-February compared to the same period in 2024.



#### **Fast Stats March 2025**

##### **Key takeaways:**

- The **Leading Business Indicator** in January was up 0.9% compared to January 2024..
- The average **crude oil price** (Brent/barrel) in February was \$75.54.
- South Africa recorded a **merchandise trade** surplus of R4.1 billion for January-February.
- The volume of **mining production** in January was down 2.7% compared to January 2024.



#### **Fast Stats April 2025**

##### **Key takeaways:**

- The **Sacci Business Confidence Index** in March was down 2.3 points compared to February.
- The growth in **money supply** in March was 5.75%, compared to 6.85% in March 2024.
- The **headline inflation** rate in March was 2.7%, compared to 5.3% in March 2024.
- Equities **net purchases/sales** by foreigners for January-April reached -R98.7 billion.
- The average **gold price** per ounce in March was \$2,983.



### Fast Stats May 2025

#### Key takeaways:

- The **Leading Business Indicator** in March was up 4.1% compared to March 2024.
- The **headline inflation** rate April was 2.8%, compared to 5.2% in April 2024.
- The average **platinum price** per ounce in May was \$1,022.
- The average **crude oil price** (Brent/barrel) in May was \$64.39.
- South Africa recorded a **merchandise trade** surplus of R39.7 billion for January-April.



### Fast Stats June 2025

#### Key takeaways:

- The **Sacci Business Confidence Index** in May was up 0.9 points compared to April.
- The growth in **money supply** in May was 6.86%, compared to 4.72% in May 2024.
- The average **gold price** per ounce in June was \$3,352.
- The average **crude oil price** (Brent/barrel) in June was \$71.51.
- Total **vehicles sold** were up 12.6% for January-May compared to January-May 2024.



### Fast Stats July 2025

#### Key takeaways:

- The **Leading Business Indicator** in May was down 1.3% compared to May 2024.
- The average **platinum price** per ounce in June was \$1,254.
- The average **crude oil price** (Brent/barrel) in June was \$71.51.
- South Africa recorded a **merchandise trade** surplus of R80.2 billion for January-June.
- Total **vehicles sold** were up 13.9% for January-July compared to January-July 2024.



### Fast Stats August 2025

#### Key takeaways:

- The **headline inflation** rate in July was 3.5%, compared to 4.6% in July 2024.
- **Equities net purchases/sales by foreigners** for January-August reached -R153 billion.
- The average **crude oil price** (Brent/barrel) in July was \$71.09.
- **Vehicles exported** were up 2.5% for January-July compared to January-July 2024.
- The volume of **mining production** was down 3% for January-June compared to January-June 2024.



### Fast Stats September 2025

#### Key takeaways:

- The **headline inflation** rate in August was 3.3%, compared to 4.4% in August 2024.
- **Equities net purchases/sales by foreigners** for January-September reached -R202.1 billion.
- The average **platinum price** per ounce in August was \$1,337..
- The average **crude oil price** (Brent/barrel) in August was \$68.13.
- The volume of **mining production** was down 1.9% for January-July compared to the same period in 2024.



### Fast Stats October 2025

#### Key takeaways:

- The **Sacci Business Confidence Index** in September was up 1.1 points compared to August.
- The growth in **money supply** in September was 6.07%, compared to 7.25% in September 2024.
- The average **gold price** per ounce in September was \$3,662.
- The average **crude oil price** (Brent/barrel) in September was \$67.94.
- **Vehicles exported** were up 6.7% for January-October compared to January-October 2024.



### Fast Stats November 2025

#### Key takeaways:

- The growth in **money supply** in October was 7.52%, compared to 7.81% in October 2024.
- **Equities net purchases/sales by foreigners** for January-November reached -R217.6 billion.
- The average **platinum price** per ounce in October was \$1,615.
- South Africa recorded a **merchandise trade** surplus of R142.7 billion for January-October.
- Total **vehicles sold** were up 15.4% for January-November compared to January-November 2024.



### Fast Stats December 2025

#### Key takeaways:

- The **Leading Business Indicator** in October was up 2.2% compared to October 2024.
- The **Business Confidence Index** in November was up 8.5 points compared to October.
- The **headline inflation** rate in November was 3.5%, compared to 2.9% in November 2024.
- The average **gold price** per ounce in 2025 was \$3,436.
- The average **crude oil price** (Brent/barrel) in 2025 was \$69.16.

### Macro Review

The *Macro Review* is a monthly report providing in-depth assessments of the trends shaping specific current social, economic, and political risks in South Africa. Twelve editions were published in 2025.



### South Africa's Quality of Life (January)

This edition assessed the standard of living in South Africa based on 10 weighted indicators, while drawing comparisons between the country's nine provinces and the different race groups.



### Budget 2025: Removed from reality (February)

This edition unpacked the 2025 National Budget and identified the long-term risks to South Africa's public finances.



### **Brakes on growth (March)**

This edition reviewed the state of municipalities in South Africa, highlighting the effect of failing municipal services on business and communities.



### **The consumer stumbles (April)**

This edition looked into the state of South Africa's hamstrung consumer, noting the negative impact on the country's short to medium-term economic prospects.



### **SA faces ultimate trade test (May)**

This edition looked at South Africa's trade indicators and unpacked the risks that could impact the country's future exports and imports.



### **SA's deindustrialisation dilemma (June)**

This edition unpacked South Africa's deindustrialisation, with the continued decline of the mining and manufacturing sectors.



### **SA's demographic dividend remains elusive (July)**

This edition provided an overview of demographic trends in South Africa and assessed the risks for the country.



### **A stifled middle class (August)**

This edition examined the size, nature and resilience of the pivotal middle class.



### **South Africa's Infrastructure: More than just leaks and creaks (September)**

This edition gave an overview of South Africa's infrastructure landscape, highlighting its importance to economic growth and investment.



### **South African families: Fraying at the seams (October)**

This edition looked at the state of South Africa's families and emphasised the need for a safer and more stable environment for South Africa's children.



### **The state of South Africa: A provincial breakdown (November)**

This edition profiled South Africa's nine provinces across various key areas: demographics, the economy, education, health and social security, living conditions, and crime and security.



### **The parlous state of the nation (December)**

This edition looked at South Africa across a range of political, economic and social indicators.

### **Risk Alert**

Every Monday morning, the CRA discussed the key events and trends in South Africa and the world. In two pages (and ten minutes of audio) we provided weekly cutting-edge strategic intelligence for CRA clients. Forty-nine editions of the Risk Alert were published in 2025. The publishing format was changed from PDF – hard to read on small screens – to straight-to-web, using the Volto interface on Plone 6.

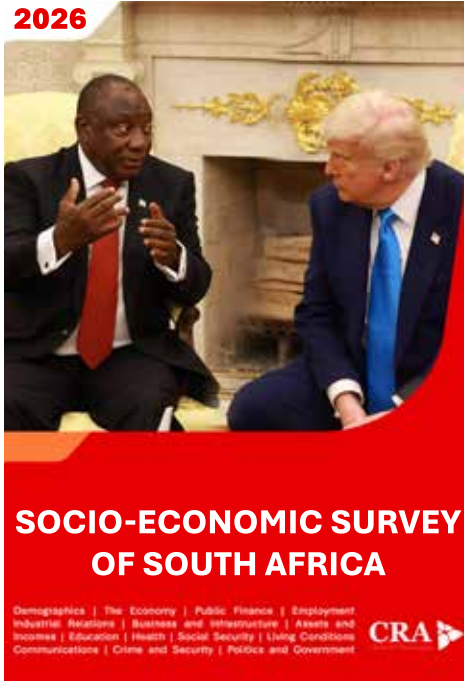
### **Client Note**

These notes, usually between two and three pages long, were published on an ad hoc basis, focusing on a single topic (e.g., healthcare, emerging markets, property rights, by-elections, etc). Seventeen editions of the Client Note were published in 2025.

### **Socio-Economic Survey of South Africa (CRA) / South Africa Survey (IRR)**

The annual *Socio-Economic Survey of South Africa* (published as the *South Africa Survey* by the IRR) provided primary data on the economy, government finances, living standards, healthcare, crime, education, and demographics. The 2026 edition was published in May 2026, running to over 800 pages of tables and graphics. Fourteen chapters were featured, as listed below. These were also published as stand-alone PDF and Excel reports:

2026



- Demographics
- The Economy
- Public Finance
- Employment
- Assets and Incomes
- Business and Infrastructure
- Industrial Relations
- Education
- Health
- Social Security
- Living Conditions
- Communications
- Crime and Security
- Politics and Government

## IRR Head Office

Group media presence 1 January to 31 December 2025 – selected stats

Activity	2024	2025
Opinion pieces	1 183	1 301
Citations	517	605
Interviews	412	406
Press releases	113	128
Video/audio clips (adding CRA)	587	485
Social media posts (TDF, IRR only)	4 989	5 485
IRR Twitter followers	34 200	37 839
IRR Facebook followers	133 956	157 367
<i>Daily Friend</i> X followers	4 854	5 687
<i>Daily Friend</i> Facebook net likes	66 738	65 430
<i>Daily Friend</i> Instagram net likes	1 004	1 026
<i>Daily Friend</i> website – unique visitors	938 590	753 714
<i>Daily Friend</i> site articles read	3.5m	3 268 242
<i>Daily Friend</i> e-mail newsletter subscribers	75 680	55 762

## Reports released 1 January to 31 December 2025

- IRR publications: FreeFacts 3
- Blueprint for Growth 8
- Policy submissions 7
- Other (occasional incl. South Africa Survey (SAS)) 8 26

- CRA publications: Fast Stats 12  
Macro Review 12  
Strategic Intelligence Report 0  
Socio-Economic Survey (S-E Survey)  
(counted under IRR) 0  
S-E Survey Chapters 1 25
- **Total reports and publications:** 51 (85 December 2024)

#### **Group events 1 January to 31 December 2025**

- 73 formal briefings IRR and CRA combined (91 in 2024)
- 262 meetings with policy makers and influencers (386 in 2024)
- Total: 335 meetings and briefings (477 in 2024)

#### **Governance and compliance**

- The 2025 formal meeting of the Council was held online on 5 June 2025 and the informal part in-person on 7 June 2025, at the Country Club Johannesburg.
- The 2025 annual general meeting of voting members was held online on 9 June 2025.

#### **Elections**

*New Board and election of Board Chairman and Vice Chairman:* At the Council meeting on 5 June 2025, a new Board was nominated, and subsequently elected at the AGM of Members on 9 June 2025. At its first ensuing meeting, the Board elected Mr Andrew Cadman as its Chairman. Mr Rowland Brown was elected Vice Chairman.

*Audit and Risk Committee:* The committee continued with the four serving members, Mr Akshar Patel, Mrs Jenny Elgie, Mr Andrew Cadman, and Mr Rowland Brown.

*Remuneration Committee:* Following the passing of Mr Roger Crawford, Mr Andrew Cadman was elected as Chairman at the first ensuing meeting. The committee comprises Mr Andrew Cadman and Mr Akshar Patel. Mr John Brand was appointed to the committee.

*Social and Ethics Committee:* The committee continued with the current serving members, Mr Wayne Bishop, Dr Anthea Jeffery, Mrs Rhona le Roux and Mr Phumlani Majazi.

#### **Resignations**

Mr Martin Brassey resigned as an IRR Council member on 10 June 2025. Mr Stuart McLeod also stepped down as a Corporate/Company member of Council and nominated Mr Victor Poole of Coca-Cola Peninsula Beverages as his replacement.

#### **Finance and administration**

Crowdfunding declined from representing around 40% of total sales in 2024 to 32% in 2025. Our efforts to replace the original cold calling for funding with online funding is still in the beginning phase and did not yet bring in the amounts to fill the gap. The income from the Centre for Risk Analysis also declined over the last couple of years and is currently less than 20% of revenue. We continued to look at alternatives for collecting and sourcing donations. We were, however, successful in finding some major donors from businesses, which helped make up for the decline in crowdfunding.

The financial statements for 2025 which follow show that the IRR secured revenue from projects, donors, and sales of R22,280,443 in 2025, a decrease of 10.1% from the R24,787,710 recorded in 2024. In an inflationary environment, operating expenses were

well contained and dropped from R31,093,751 in 2024 to R27,535,709 in 2025, a cost saving of 11%. The resulting operating deficit was R5,255,266 in 2025, a drop of 17% on the operating deficit of R6,306,041 recorded in 2024.

In 2025, the poor performance of the investments only contributed an income from investments of R872,547 resulting in a final deficit of R4,382,719. The transfer of the bursary funds left to the IRR at the end of 2025 of R7,482,741 helped produce a surplus of R3,100,022.

Our budget for the financial year ending December 2026 forecasts an operating loss of R2.8m, which we aim to close through additional fundraising. We will continue searching for sources of additional income to close the gap.

**Appointment of auditors:**

The AGM of Members on 9 June 2025 re-appointed the audit firm PKF (VGA) Chartered Accountants for the 2025 audit, on recommendation of the Audit and Risk Committee.

**Staff**

During 2025, three persons joined the IRR staff and three left. Two intern contracts came to an end. At the end of 2025 we counted 25 staff and two people on contract and one service agreement. We counted a total of 28 personnel (permanent staff, people on contract and interns) at the end of 2025, as well as fourteen contributors throughout the year.

Mr Sherwin van Blerk's service agreement ended at the end of 2025, and Mr Gabriel Crouse's service agreement was extended to 30 April 2026. They are included in the number above.

**Thanks**

The successes and achievements of the IRR would not be possible without the support of South Africans from all walks of life who care deeply about what happens in our country. They share our desire to create a freer and more prosperous South Africa in which everyone has the freedom and the opportunity to give shape and meaning to their life.

I thank the people and organisations that support our work: our successes are the result of their encouragement and contributions, as well as the hard work, courage and dedication of my colleagues, who hold the liberal line in the face of all manner of challenges. We will continue forthrightly and unapologetically to advocate classically liberal ideas. It is those ideas – and the policies based on them – that will drive the economic growth that will create the opportunity for South Africans to free themselves from a future of dependency and deprivation, and achieve lives of dignity and opportunity.

Johannesburg

May 2026



J P Endres

# SOUTH AFRICAN INSTITUTE OF RACE RELATIONS NPC

## ANNUAL FINANCIAL STATEMENTS for the year ended 31st December 2025

COMPANY REGISTRATION NUMBER: 1937/010068/08  
NON-PROFIT REGISTRATION NUMBER: 000-709-NPO  
PUBLIC BENEFIT ORGANISATION NUMBER: 930006115

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The annual financial statements set out on pages **63-73** were drawn up by R D le Roux BCom (Acc), audited as required by the Companies Act, and have been approved by the Board of Directors.

**SOUTH AFRICAN INSTITUTE  
OF RACE RELATIONS NPC  
ANNUAL FINANCIAL STATEMENTS  
for the year ended 31st December 2025**

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**COMPANY INFORMATION**

<b>Country of incorporation</b>	South Africa	
<b>Registration numbers:</b>		
<b>Company registration number</b>	1937/010068/08	
<b>Non-Profit registration number</b>	000-709-NPO	
<b>Public Benefit Organisation number</b>	930006115	
<b>Nature of business</b>	Research	
<b>Postal address</b>	222 Smit Street Braamfontein 2001 Johannesburg	
<b>Registered address</b>	222 Smit Street Braamfontein 2001 Johannesburg (Virtual Office)	
<b>Auditors</b>	PKF V&A Audit Incorporated Chartered Accountants (SA) Registered Auditors	
<b>Bankers</b>	First National Bank	
<b>Council Office Bearers</b>	M Oppenheimer    President R D Crawford    Vice President – Deceased 19/3/2025 P Leon            Vice President P Majozi         Vice President T Nolutshungu   Vice President	
<b>Non-Executive Directors</b>	A Cadman        Chairman R D Crawford   Vice Chairman – Deceased 19/3/2025 R F Brown      Vice Chairman – Appointed 11/8/2025 A Patel         Audit and Risk Committee Chairman P Leon         Honorary Legal Adviser W C Bishop J W D Brand J A Elgie P Majozi	
<b>Executive Director</b>	J P Endres        Chief Executive	
<b>Company Secretary</b>	R D le Roux <i>Business address:</i> <i>Postal address:</i> 222 Smit Street                222 Smit Street Braamfontein                 Braamfontein 2001 Johannesburg            2001 Johannesburg	

## CORPORATE GOVERNANCE

The South African Institute of Race Relations NPC (the Institute) applies the principles set out in the King Report on Governance for South Africa 2009 (King IV) except for those principles that are inappropriate to the Institute because of its nature and limited size. Exceptions are explained below.

### ***Board of Directors***

The Institute is controlled by the Board, which meets quarterly. The roles of Chairman and Chief Executive do not vest in the same person. Directors are appointed annually and re-appointment is not automatic. New members of the Board are appropriately inducted and the Board and its committees are evaluated annually. Membership of the Board is set out on page 60 of the annual financial statements. The Board is assisted by the Audit, Remuneration, and Social and Ethics Committees, whose members are listed on page 4.

### ***Audit and Risk Committee***

The Audit and Risk Committee, which is not a statutory committee but established by a decision of the Board, assists the Board by reviewing the annual financial statements and obtaining assurance from management, supplemented by external audit, regarding the effectiveness of internal controls, the management of risk, and compliance with relevant laws and regulations. The small size of the Institute's administrative structures makes it unnecessary to establish formal risk management or an internal audit function. The Committee satisfies itself regarding the effectiveness of the Institute's finance function. The Committee, consisting of 4 independent non-executive directors, meets at least twice a year.

### ***Remuneration Committee***

The Remuneration Committee is responsible for determining the remuneration of executive management and recommending overall remuneration policies to the Board. The Committee consists of no fewer than 4 independent non-executive directors appointed by the Board. The remuneration of the Chief Executive and the Prescribed Officer is disclosed. The Committee reported during the year to the Board and to the Annual General Meeting of Members.

### ***Social and Ethics Committee***

To advise the Board on social and ethical matters in accordance with the Companies Act, the Board appointed a Social and Ethics Committee. The Committee reported during the year to the Annual General Meeting of Members and the Board.

### ***Company Secretary***

All directors have unlimited access to the advice and services of the Company Secretary, who is responsible for ensuring that Board procedures are followed.

### ***Financial control***

The Institute maintains accounting and administrative control systems designed to provide reasonable assurance that assets are safeguarded and that transactions are appropriately executed and recorded. These controls include proper delegation of responsibilities, effective accounting procedures, and adequate segregation of duties, which are monitored regularly.

### ***Sustainability***

The main object of the Institute is to promote democracy, human rights, development, and reconciliation between the various peoples of South Africa through the conduct and publication of relevant political and socio-economic research. The sustainability of the Institute itself depends on careful management of its financial resources as reflected in its annual financial statements. The effect of the Institute's operations on the physical environment is immaterial and is not separately dealt with in this report.

### ***Code of ethics***

The South African Institute of Race Relations conducts its activities in accordance with the principles of excellence, integrity, human dignity, and fairness.

## DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required by the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Institute as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Institute and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the Board sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures, and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Institute and all employees are required to maintain the highest ethical standards in ensuring the Institute's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Institute is on identifying, assessing, managing, and monitoring all known forms of risk across the Institute. While operating risk cannot be fully eliminated, the Institute endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems, and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Institute's cash-flow forecast for the year to 31st December 2026 and, in the light of this review and the current financial position, they are satisfied that the Institute has, or has access to, adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the Institute's annual financial statements. The annual financial statements have been examined by the Institute's external auditors and their report is presented on page 61-62.

The annual financial statements set out on pages 63-73, which have been prepared on a going concern basis, as well as the Directors' report presented on pages 59 and 60, were approved by the Board, and were signed on its behalf by:



J P Endres



A Patel

## CERTIFICATE BY THE COMPANY SECRETARY

In accordance with the provisions of section 88(2)(e) of the Companies Act, I certify that to the best of my knowledge and belief, the company has filed for the financial year ended 31st December 2025 all such returns and notices as are required of a non-profit company in terms of the said Act, and all such returns and notices appear to be true, correct and up to date.

*Rhona Le Roux*

R D le Roux

## DIRECTORS' REPORT

The directors submit their report for the year ended 31st December 2025.

### ***Review of the Institute's business and operations***

The main purpose of the Institute is to promote democracy, development, human rights, and reconciliation across the colour line. We seek to attain these objectives by conducting and publishing relevant research and policy analysis.

The operating results and state of affairs of the Institute are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

### ***Going concern***

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations, and commitments will occur in the ordinary course of business.

### ***Dividends***

The Institute is a non-profit organisation. It has no shareholders and is not permitted by its memorandum of incorporation to distribute profits to its members.

### ***Auditors***

The directors recommend that PKF (VGA) Incorporated Chartered Accountants (SA) be appointed to office as auditors in accordance with Section 90 of the Companies Act of South Africa. Lindi Penning is the designated director.

### ***Secretary***

R D le Roux served as secretary of the Institute for the year ended 31st December 2025.

## **Directors**

The directors of the Institute during the year and to the date of this report are as follows:

<b>Non-Executive Directors</b>	A Cadman	Chairman
	R D Crawford	Vice Chairman – Deceased 19/3/2025
	R F Brown	Vice Chairman – Apointed 11/8/2025
	A Patel	Audit and Risk Committee Chairman
	P Leon	Honorary Legal Adviser
	W C Bishop	
	J W D Brand	
	J A Elgie	
	P Majozi	
<b>Executive Director</b>	J P Endres	Chief Executive

## **Remuneration policy**

The Remuneration Committee operates in terms of a charter approved by the Board. All members are non-executive directors. The committee meets in time to approve remuneration adjustments normally due on 1st October each year. Salaries of senior management are determined by the committee in consultation with the Chief Executive. The Chief Executive's own salary is determined by the committee in his absence. Salaries of other staff members are decided by the Chief Executive after consulting the committee and his senior colleagues. Salary adjustments are performance-based, while also taking into consideration inflation, affordability and increased responsibility. Remuneration consists entirely of a fixed salary except in the case of a few individuals whose remuneration is partly dependent on success in marketing Institute services or raising funds for special projects (excluding the Chief Executive and Head of Finance).

The Chief Executive is authorised to grant salary increases during the year at his discretion, except where it involves senior management, in which case he obtains permission from the Chairman of the committee.

## **Report of the Audit and Risk Committee**

The Audit and Risk Committee has four members, all of whom are independent non-executive directors of the Institute. The committee has met twice since the previous Annual General Meeting of Members and has performed the following functions:

- Recommended PKF VGA Audit Incorporated Chartered Accountants (SA) as auditors and Lindi Penning as the designated director for the 2025 financial year;
- Satisfied itself that the auditors are independent;
- Approved the annual financial statements of the Institute for 2025, prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs), and recommended them to the Board for approval;
- Satisfied itself, based on information received from management and the auditors, that the internal control of the Institute is adequate, that the accounting policies followed are appropriate and that the audit was properly carried out.
- The Audit and Risk Committee evaluates and considers the risks facing the Institute of Race Relations from time to time.

## **Independent Auditor's Report**

### **To the shareholders of South African Institute of Race Relations NPC**

We have audited the annual financial statements of South African Institute of Race Relations NPC (the company) set out on pages 63 to 73, which comprise the statement of financial position as at 31 December 2025; and the statement of comprehensive income; the statement of changes in equity and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of South African Institute of Race Relations NPC as at 31 December 2025, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards for Small and Medium Sized Entities and the requirements of the Companies Act of South Africa.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Information**

The directors are responsible for the other information. The other information comprises the information included in the document titled "South African Institute of Race Relations NPC annual financial statements for the year ended 31 December 2025", which includes the Director's Report as required by the Companies Act of South Africa. The other information does not include the annual financial statements and our auditor's report thereon. Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Directors for the Annual Financial Statements**

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with the International Financial Reporting Standards for Small and Medium Sized entities and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

## **Independent Auditor's Report**

In preparing the annual financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Annual Financial Statements**

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**PKF V&A Audit Incorporated**

**Partner : L Penning**

**Chartered Accountant (S.A.)**

**Registered Auditor**

**14 March 2026**

**Johannesburg**

## STATEMENT OF FINANCIAL POSITION

**as at 31st December 2025**

	<i>Notes</i>	<b>2025 R</b>	<b>2024 R</b>
<b>ASSETS</b>			
<b>Non current assets</b>			
Furniture and equipment	2	326 695	693 182
Intangible assets	3	668 279	717 946
		<b>994 974</b>	<b>1 411 128</b>
<b>Investments</b>			
Special Funds			
Other Institute investments	14	11 755 128	15 541 272
		<b>11 755 128</b>	<b>15 541 272</b>
<b>Current Assets</b>			
Trade and other receivables	5	647 685	514 997
Cash resources	6	1 463 507	1 554 149
		<b>2 111 192</b>	<b>2 069 146</b>
<b>TOTAL ASSETS</b>		<b>14 861 294</b>	<b>19 021 546</b>
<b>FUNDS AND LIABILITIES</b>			
<b>Funds and reserves</b>			
Accumulated funds		11 175 068	8 075 046
		<b>11 175 068</b>	<b>8 075 046</b>
<b>Non current liabilities</b>			
Bursary funds	7.1	–	7 482 741
		–	<b>7 482 741</b>
<b>Current liabilities</b>			
Income received in advance		1 615 398	1 648 816
Trade and other payables	7	2 070 828	1 814 943
		<b>3 686 226</b>	<b>3 463 759</b>
<b>TOTAL FUNDS AND LIABILITIES</b>		<b>14 861 294</b>	<b>19 021 546</b>

## STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31st December 2025

	Notes	2025 R	2024 R
<b>INCOME</b>			
Grants and donations		17 908 920	20 638 673
Subscriptions		4 355 105	4 131 615
Publication sales		16 418	17 422
		<b>22 280 443</b>	<b>24 787 710</b>
<b>EXPENSES</b>			
Amortisation	3	346 056	577 722
Auditors' remuneration			
– Fees for the audit	8	145 600	150 000
Bad debts (recovered)/provided		205 000	18 615
Outsourced contributors		4 097 361	8 507 406
Depreciation	2	124 280	160 466
Legal costs		625 115	26 003
Loss on disposal of assets		408 698	26 003
Overheads and administration		1 662 113	1 400 345
Personnel		18 286 051	18 506 826
Postage		99 384	23 468
Printing		–	29 950
Rent and utilities		152 023	140 286
Telecommunications and social media		754 324	792 294
Travel		629 704	751 114
		<b>27 535 709</b>	<b>31 093 751</b>
<b>OPERATING DEFICIT FOR THE YEAR</b>		<b>(5 255 266)</b>	<b>(6 306 041)</b>
<b>INCOME FROM INVESTMENTS</b>			
Unrealised gain on investments		713 850	2 089 326
Interest received		158 697	226 817
		<b>872 547</b>	<b>2 316 143</b>
<b>DEFICIT FOR THE YEAR</b>		<b>(4 382 719)</b>	<b>(3 989 898)</b>
Other income	7.1	7 482 741	–
<b>SURPLUS/(DEFICIT) FOR THE YEAR AFTER OTHER INCOME</b>		<b>3 100 022</b>	<b>(3 989 898)</b>

## STATEMENT OF CHANGES IN EQUITY

for the year ended 31st December 2025

	<i>Accumulated funds R</i>
Balance at 1st January 2024	12 064 944
Deficit for the year	(3 989 898)
<b>Previously shown balance at 31st December 2024</b>	<b>8 075 046</b>
Balance at 1st January 2025	8 075 046
Surplus for the year	3 100 022
<b>Balance at 31st December 2025</b>	<b>11 175 068</b>

## STATEMENT OF CASH FLOWS

for the year ended 31st December 2025

	<b>2025 R</b>	<b>2024 R</b>
<b>Cash flows from operating activities</b>		
Surplus/(Deficit) for the year	3 100 022	(3 989 898)
Adjustments:		
Depreciation/Amortisation	552 448	738 188
Interest received	(158 697)	(226 817)
Fair value (gain)/loss on investment	(713 856)	(2 089 326)
Loss on disposal of plant and equipment	465 435	26 003
Decrease sales prepaid	(33 418)	(100 574)
Decrease in Bursary liability	(7 482 741)	–
<b>Movement in working capital</b>		
– (Increase)/decrease in trade and other receivables	(132 688)	1 497 665
– Increase/(decrease) in trade and other payables	255 885	(126 566)
Sub total	(4 147 610)	(4 271 325)
Interest received	158 697	226 817
<b>Net cash outflow from operating activities</b>	<b>(3 988 913)</b>	<b>(4 044 508)</b>
<b>Cash flows from investing activities</b>		
Net sale of shares	4 500 000	5 124 619
Acquisition of plant equipment and other intangible assets	(601 729)	(546 289)
<b>Net cash generated/(utilised)</b>	<b>3 898 271</b>	<b>4 578 330</b>
Net cash utilised/(generated) for the year	(90 642)	533 822
Cash resources at beginning of the year	1 554 149	1 020 327
<b>Cash resources at end of the year</b>	<b>1 463 507</b>	<b>1 554 149</b>

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31st December 2025

### 1. ACCOUNTING POLICIES

#### Basis of preparation

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa. The financial statements have been prepared on the historical cost basis, except for the measurement of certain financial instruments at fair value, and incorporate the principal accounting policies set out below.

These annual financial statements are presented in South African Rands, the currency of South Africa and the country in which the Institute is incorporated.

These accounting policies are consistent with the previous period.

#### 1.1 Significant judgements and sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement are inherent in the formation of estimates. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

#### Financial assets measured at cost and amortised cost

The Institute assesses its financial assets measured at cost and amortised cost for impairment at each reporting period date. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the Institute makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment of financial assets measured at cost and amortised cost is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting period date that correlate with defaults on the portfolio.

#### Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values. These calculations require the use of estimates and assumptions. It is reasonably possible that the residual value assumption may change which may then affect the estimations and require a material adjustment to the carrying value of tangible assets.

The Institute reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets.

Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors, including political stability, sponsor contributions and demand for research as produced by the Institute, together with economic factors such as exchange rates, inflation, and interest rates.

#### Taxation

The Institute is a Public Benefit Organisation in terms of section 30 (cN) of the Income Tax Act No. 58 of 1962, ('the Act') and the receipts and accruals are exempt from Income Tax in terms of Section 10(1) (cN) of the Act.

#### Fair value measurement

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the company is the price at reporting date.

## NOTES (continued)

### Useful lives of depreciable assets

Management reviews its estimate of the useful lives of material depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

### 1.2 Furniture and equipment

Library books that are in storage and are housed at the University of the Witwatersrand, are carried at no cost, in prior years a nominal value of R404 000 was attributed to them. Other assets are stated at cost less accumulated depreciation. Depreciation is calculated on a straight-line basis to write off the depreciable value of each asset over its estimated useful life as follows:

Furniture and equipment	3–6 years
Motor vehicles	5 years

The depreciable value is the cost less the residual value. The residual values and useful lives are reviewed at each reporting date and adjusted if appropriate. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount (thus impairment losses are recognised).

Gains and losses on disposals of plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

### 1.3 Accumulated Funds

All reserves are reflected under accumulated funds.

### 1.4 Impairment

The Institute assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Institute estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, a recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual assets, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of the fair value less cost to sell and its value in use. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The reduction is an impairment loss and is charged to profit and loss.

### 1.5 Contingencies and commitments

Transactions are classified as contingencies where the Institute's obligations depend on uncertain future events. Items are classified as commitments where the Institute commits itself to future transactions with external parties.

### 1.6 Financial instruments

#### Initial recognition

The Institute classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability, or an equity instrument in accordance with the substance of the agreement.

Financial assets and financial liabilities are recognised on the Institute's statement of financial position when the Institute becomes party to the contractual provisions of the instrument.

#### Financial instruments at amortised cost

Financial instruments may be designated to be measured at amortised cost less any impairment using the effective interest method. These include accounts receivable, accounts payable, and instalment sale agreement liabilities. At the end of each reporting period date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If so, an impairment loss is recognised.

## NOTES (continued)

### Investments

Investments are stated at fair value. In the Institute, the increase or decrease is recognised as a fair value adjustment through profit and loss account in the Statement of Comprehensive income.

### Special Funds

Funds specifically designated by donors may, at the discretion of the Institute, be retained and invested by the Institute pending disbursement.

### 1.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. These are initially and subsequently recorded at fair value.

### 1.8 Revenue

Revenue from the supply of services is recognised when all the following conditions have been satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Institute; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Institute;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable. Interest income is recognised on an accrual basis, using the effective interest rate method.

Revenue is measured at the fair value of the consideration receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and valued added tax.

### Membership fees and subscriptions

Membership fees are recognised in the accounting period in which members renew their membership, while subscription fees are recognised in the accounting period in which services to subscribers are rendered.

For subscription fees collected in advance, the revenue is deferred to income received in advance in the statement of financial position.

### Donations and grants

Donations and grants are brought to account on a cash-received basis except where they cover more than one year, in which case they are brought into income over the period.

## *NOTES (continued)*

### **1.9 Leases**

#### **Operating leases**

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

### **1.10 Investment policy**

Investment income consists of net realised surpluses and deficits on the sale of investments, net unrealised surpluses and deficits on the valuation of investments at fair value, interest, and dividends.

Realised and unrealised surpluses and deficits are recognised in the profit or loss.

### **1.11 Short-term employee benefits**

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service.

The accrual for employee entitlements to annual leave represents the amount which the Institute has a present obligation to pay as a result of employees' service provided up to the reporting date. The accrual has been calculated at undiscounted amounts based on current salary rates.

### **1.12 Trade and other payables**

Trade and other payables are recognised at amortised costs. Where there is no discount or it is immaterial, trade payables with no stated interest rate are measured at original invoice amount.

### **1.13 Trade and other receivables**

Impairment of trade and other receivables required the consideration of the impairment indicators, namely significant financial difficulties of the debtor, or delinquency in payments.

## NOTES (continued)

### 2. PLANT AND EQUIPMENT

	<i>Furniture and equipment R</i>	<i>Motor vehicles R</i>	<i>Library R</i>	<i>Total R</i>
<b>Year ended 31st December 2025</b>				
Opening net carrying amount	207 070	82 112	404 000	693 182
Additions	297 275	–	–	297 275
Disposals	(53 370)	(82 112)	(404 000)	(539 482)
Depreciation	(124 280)	–	–	(124 280)
<b>Closing net carrying amount</b>	<b>326 695</b>	<b>–</b>	<b>–</b>	<b>326 695</b>
<b>Year ended 31st December 2025</b>				
Cost	860 863	332 224	–	1 193 087
Accumulated depreciation	(534 168)	(332 224)	–	(866 392)
<b>Closing net carrying amount</b>	<b>326 695</b>	<b>–</b>	<b>–</b>	<b>326 695</b>
<b>Year ended 31st December 2024</b>				
Opening net carrying amount	211 836	95 780	404 000	711 616
Additions	149 262	–	–	149 262
Disposals	(7 230)	–	–	(7 230)
Depreciation	(146 798)	(13 668)	–	(160 466)
<b>Closing net carrying amount</b>	<b>207 070</b>	<b>82 112</b>	<b>404 000</b>	<b>693 182</b>
<b>Year ended 31st December 2024</b>				
Cost	795 033	332 224	404 000	1 531 257
Accumulated depreciation	(587 963)	(250 112)	–	(838 075)
<b>Closing net carrying amount</b>	<b>207 070</b>	<b>82 112</b>	<b>404 000</b>	<b>693 182</b>

A register with details of Furniture and equipment is available for inspection by members or duly authorised representatives at the storage facilities of Elliot in Centurion where the assets are stored, in terms of Regulations 25(3) of the Companies Act, 2011.

The library books in prior years has a nominal value of R404 000 attributed to them. The value of the library books in stock was written off to nil in this book year.

### 3. INTANGIBLE ASSETS – WEBSITE DEVELOPMENT AND COMPUTER SOFTWARE

<i>Website development and computer software:</i>	<b>2025</b>	<b>2024</b>
<b>Year ended 31st December 2025</b>		
Opening net carrying amount	717 946	926 574
Additions	304 454	397 027
Disposals	(8 065)	(27 933)
Amortisation	(346 056)	(577 722)
	<b>668 279</b>	<b>717 946</b>
<b>Year ended 31st December 2024</b>		
Cost	1 571 179	2 187 186
Accumulated depreciation	(902 900)	(1 469 240)
	<b>668 279</b>	<b>717 946</b>

### 4. RELATED PARTIES

#### Board of Directors:

Full details of the Directors of the Institute are set out on page 60 following the Report of Directors on pages 58 and 59. With the exception of one executive director, whose remuneration is set out in Note 9, there have been no transactions with the executive and non-executive directors of the Institute.

## NOTES (continued)

	<b>2025</b>	<b>2024</b>
	<b>R</b>	<b>R</b>
<b>5. TRADE AND OTHER RECEIVABLES</b>		
Receivables	481 009	290 451
Prepayments	104 312	–
Staff debtors	62 364	224 546
	<b>647 685</b>	<b>514 997</b>
<b>6. CASH RESOURCES</b>		
Current account	888 377	625 614
Call account	575 130	928 535
	<b>1 463 507</b>	<b>1 554 149</b>
<b>7. TRADE AND OTHER PAYABLES</b>		
Payables	594 060	616 828
Receiver of Revenue – VAT	270 093	24 586
Accrual for leave pay	1 206 675	1 173 529
	<b>2 070 828</b>	<b>1 814 943</b>

### 7.1. NON CURRENT LIABILITIES

The IRR ended its bursary programme in 2023. The remaining funds were divided into two categories: those where the trustees were known or could be traced, and those where this was not the case. Where trustees could be contacted, their agreement was obtained before the respective funds were transferred to StudyTrust, a professional bursaries administrator that continues to manage the bursaries. The balance of funds, where original trustees could no longer be traced, was transferred to the IRR.

	<b>2025</b>	<b>2024</b>
Amcham Fund	–	1 090 436
Durban Thekwini Bursary Fund	–	42 782
Giannopoulos Bequest	–	576 157
Horace Coaker Fund	–	1 294 807
Hungjao Bequest	–	1 171 548
Isaacson Foundation Bursary Fund	–	856 663
Luthuli Memorial Foundation Fund	–	166 653
Oppenheimer Memorial Fund	–	360 229
Reginald Smith Memorial Trust	–	14 894
Senior Bursary Fund	–	83 989
Shirley Simons Fund	–	1 824 583
	<b>–</b>	<b>7 482 741</b>

## NOTES (continued)

### 8. AUDITOR'S REMUNERATION

	2025 R	2024 R
For audit services rendered	145 600	150 000
	<b>145 600</b>	<b>150 000</b>

Audit fees paid in the 2025 financial year to PKF Inc are for the audit of the 2024 financial year. The 2025 audit fees to PFKVGA Audit Incorporated will be paid in 2026 and will reflect as such in the financial statements.

### 9. DIRECTORS' REMUNERATION

The director's emoluments in connection with the affairs of the Institute was as follows:

	2025 R	2024 R
J P Endres – Salary	2 625 401	2 500 794
	<b>2 625 401</b>	<b>2 500 794</b>

#### 9.1 PRESCRIBED OFFICERS' REMUNERATION

The prescribed officer's emoluments in connection with the affairs of the Institute was as follows:

RD Le Roux – Salary	1 469 606	1 419 544
	<b>1 469 606</b>	<b>1 419 544</b>

### 10. TAXATION

The Institute is exempt from income tax in terms of Section 10(1) (cN) of the Income Tax Act No: 58 of 1962 ('the Act') for the period under review.

### 11. RETIREMENT BENEFITS

#### Defined contribution plan

One staff member is currently covered by an umbrella fund under the SA Welfare Consolidated Portfolio. The Company is under no obligation to cover any unfunded benefits.

	2025 R	2024 R
The total contribution to such schemes	94 617	88 794

### 12. CAPITAL EXPENDITURE

Authorised but not yet contracted for

	2025 R	2024 R
	<b>900 000</b>	<b>1 300 000</b>

The future capital expenditure is for computer equipment and software and will be funded out of cash resources.

### 13. INVESTMENTS

#### Institute investments

	2025 R	2024 R
Listed investments (Note 14)	11 755 128	15 541 272
<b>TOTAL INVESTMENTS</b>	<b>11 755 128</b>	<b>15 541 272</b>

## NOTES (continued)

14. LISTED INVESTMENTS OF OTHER FUNDS	Currency	Foreign Value 2025			Foreign Value 2024		
		Value \$	Qty	R	Value \$	Qty	R
Alphabet Inc	USD	47 070	150	779 939	37 563	150	708 902
Amazon.com Inc	USD	26 544	115	439 833	–	–	–
Apple Inc	USD	40 779	150	675 699	28 566	150	539 107
Berkshire Hathaway Class 'B'	USD	–	–	–	45 328	100	855 446
Ishares3	USD	101 448	850	1 680 961	–	–	–
Johnson & Jonson Common stock	USD	31 043	150	514 367	43 386	300	818 796
JP Morgan Chase & Co. Common stock	USD	48 333	150	800 866	35 957	150	678 583
Microsoft Corporation	USD	36 272	75	601 010	31 613	75	596 602
Nestle Corporation	CHF	39 754	400	658 691	33 050	400	623 790
Phillip Morris International Inc Common stock	USD	48 120	300	797 337	48 140	400	908 515
The Magnum Ice	GBP	1 901	120	31 489	–	–	–
SPDR Gold Trust	USD	99 078	250	1 641 691	60 533	250	1 142 390
Unilever	GBP	34 840	533	577 216	34 186	600	645 071
Cash held for foreign investments	USD	67 121	–	1 112 179	265 913	–	5 018 401
Cash held for foreign investments	GBP	0,51	–	9	1	–	10
Cash held for local investments	USD	18 092	–	299 781	89 521	–	1 637 347
Bitcoin	USD	87 509	0,787569	1 144 060	72 821	0,787569	1 368 312
				<b>11 755 128</b>			<b>15 541 272</b>

The fair values of listed investments are based on the quoted market price at the reporting period date, and translated into South African Rand at the exchange rate as at 31 December 2025.

The exchange rates used at the year end 2024: ZAR/US\$ 18.87; GBP 23.64.

The exchange rates used at the year end 2025: ZAR/US\$ 16.57; GBP 22.29.

## 15. GOING CONCERN STATEMENT

The directors have satisfied themselves that the company has sufficient resources to meet its cash requirements. The directors are not aware of any material changes that may adversely impact the company. The directors are also not aware of any material noncompliance with statutory or regulatory requirements or any pending charges to legislation which may affect the company.

## 16. EVENTS AFTER THE REPORTING DATE

Other than as disclosed above, there has been no material change in facts or circumstances between the date of the annual financial statements and the date of this report that has significantly affected, or may significantly affect, the Company's operations or its state of affairs in future financial years.

## **Update on legislative progress received after the Annual Report was typeset:**

### **South African Reserve Bank Amendment Bill of 2018, 30 June 2025**

The IRR was invited to make an oral presentation on the Bill to the National Assembly's Standing Committee on Finance ("the Committee") on 2 July 2025. This presentation was provided by Gabriel Crouse of IRR Legal. At this public hearing, Cosatu supported the Bill but the National Treasury strongly opposed it. It currently remains "in progress" before the Committee.

### **Draft Mineral Resources Development Bill of 2025, 13 August 2025**

The Draft Bill has not progressed since August 2025. Instead, the Department of Mineral and Petroleum Resources ("the Department") has been focusing on the roll-out of a new mining cadastre system. It has also been preparing for the implementation of the Critical Minerals Strategy. Mining companies have warned that the extensive local beneficiation this strategy requires will be difficult to achieve in the face of high energy costs and potential shortages.

The Department also plans to introduce an Artisanal and Small-Scale Mining Bill, which would strengthen the prohibition of illegal mining. It also proposes to set aside demarcated areas for artisanal and small-scale mining, so as to encourage lawful operations. (Some rules to this effect were included in the Draft Bill, and will presumably be omitted from the next version.)

The Department has also put forward the Mine Health and Safety Amendment Bill, which was tabled in Parliament on 7 April 2026 and should soon be opened for public comment. This Bill imposes more stringent criminal and financial accountability on mine managers and directors for non-compliance with safety requirements (including during decommissioning). The bill also seeks to dissolve the Mine Health and Safety Inspectorate as a standalone juristic entity and to integrate its functions in central state structures.

### **Public Service Commission Bill of 2023, 12 September 2025**

Public hearings were held on the Bill on 3 December 2025. The IRR was not invited to make an oral presentation, despite having requested the opportunity to do so. Other organisations, particularly Cosatu-linked trade unions, echoed the IRR and others in questioning the constitutionality of giving the Public Service Commission jurisdiction over municipalities and municipal employees. The Bill was nevertheless adopted by the National Council of Provinces on 14 May 2026 and has been referred to the president for his assent.

### **Possible introduction of electronic voting in South Africa, 30 September 2025**

The Independent Electoral Commission (IEC) spent six months evaluating the written submissions sent in, before drafting an internal Green Paper from March to May 2026. Though it has ruled out electronic voting for the 2026 local government election, it is pushing for Home Affairs to provide smart IDs to all South Africans as an important foundation for future e-voting. A transition to e-voting will be costly and is unaffordable at present, the National Treasury has said. No bill to provide for e-voting has yet been tabled. (An Electoral Laws Amendment Bill was formally introduced to the National Assembly in December 2025, but this contains relatively minor changes and does not deal with e-voting.)

### **Draft Regulations on Carbon Budget and Mitigation Plans under the Climate Change Act of 2024 (30 September 2025)**

Final regulations are likely to be promulgated later in 2026. Since the Draft Regulations assumed that carbon budgeting would begin on 1 January 2026, the Department issued a notice in February 2026 that formally extended existing Pollution Prevention Plan (PPP) allocations for big emitters beyond the previous deadline of 31 December 2025. This

notice also confirmed that the proposed multi-year carbon budgets and mitigation plans for the 2026–2030 cycle will officially begin only after the new regulations have been finalised and formally gazetted.

#### **Business Licensing Bill of 2025, 28 November 2025**

Following an intense backlash from business organisations, civil society, and the Democratic Alliance (DA), the Minister of Small Business Development, Stella Ndabeni-Abrahams, officially retracted the Bill in the second week of May 2026. Key objections raised by the IRR were echoed by many others, including Business Unity South Africa (BUSA), Sakeliga, and the Centre for Development and Enterprise (CDE). The Western Cape Government formally opposed the Bill as confusing and “unworkable”, while the DA launched a highly publicised national petition (“Jobs not Permits”) against the bill.

#### **Implementation of the International Convention on the Suppression and Punishment of the Crime of Apartheid Bill, 2025, 14 December 2025**

Since the Bill is a private member’s bill, which has been proposed by Imraan Ismail-Moosa MP (Al Jama-ah), it must begin by moving through several mandatory legislative procedures. According to the Parliamentary Bills Committee, the Bill is in the final technical stages preceding its formal introduction in the House by Mr Ismail-Moosa. Thereafter, it will be officially numbered, placed on the parliamentary order paper, and sent to the Portfolio Committee on Justice and Constitutional Development for full-scale parliamentary public hearings and clause-by-clause deliberations.



## MAKE SOUTH AFRICA FREE AND PROSPEROUS

Since 1929, the Institute of Race Relations has advocated for a free, fair, and prospering South Africa.

At the heart of this vision lie the fundamental principles of liberty of the individual and equality before the law guaranteeing the freedom of all citizens. The IRR stands for the right of all people to make decisions about their lives without undue political or bureaucratic interference.

We believe South Africa can be the greatest country in the world. That is why we fight for freedom, equality of opportunity, and the rights of every individual.

If you want to see a free, non-racial, and prosperous South Africa, we're on your side.

If you believe that our country can overcome its challenges with the right policies and decisions, we're on your side.

Join our growing movement of like-minded, freedom-loving South Africans today and help us make a real difference.

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