



95th ANNUAL REPORT

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SOUTH AFRICAN INSTITUTE
OF RACE RELATIONS NPC

95th ANNUAL REPORT

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CONTENTS

| | |
|--|----|
| Chief Executive's Report to Members | 10 |
| IRR Departments | 14 |
| IRR Policy Research and Projects | 14 |
| IRR reports and publications..... | 16 |
| <i>FreeFACTS</i> | 16 |
| Submissions to Parliament and government departments..... | 18 |
| Blueprint for Growth..... | 20 |
| #WhatSACanBe..... | 23 |
| Occasional reports..... | 26 |
| South Africa Survey..... | 29 |
| IRR Media and Communications | 29 |
| IRR Campaigns | 31 |
| IRR Platforms | 33 |
| The Daily Friend | 33 |
| The Daily Friend Show | 35 |
| Liberal Club | 36 |
| Free Speech Union SA (FSU SA) | 37 |
| Pledge to Vote | 38 |
| Big Daddy Liberty | 39 |
| Centre For Risk Analysis | 39 |
| Fast Stats..... | 40 |
| Macro Review..... | 43 |
| Strategic Intelligence Report..... | 44 |
| Risk Alert..... | 46 |
| Client Note..... | 46 |
| Socio-Economic Survey of South Africa (CRA) / South Africa Survey (IRR)..... | 46 |
| IRR Head Office | 47 |
| Governance and compliance..... | 47 |
| Death of Honorary Legal Adviser..... | 47 |
| Death of Council and Board Member..... | 48 |
| Elections..... | 48 |
| Finance and administration | 48 |
| Finance..... | 48 |
| Staff | 49 |
| Thanks | 49 |
| Annual financial statements | 52 |

CHIEF EXECUTIVE'S REPORT TO MEMBERS FOR THE ANNUAL GENERAL MEETING OF MEMBERS OF THE IRR ON MONDAY 9 JUNE 2025

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 2024. The narrative report focuses on developments in 2024, with some limited comments on developments in early 2025.

In the 91st annual report, covering the events of 2020, we wrote: "In politics, the ANC continues to bestride the South African landscape. It is the colossus around which everything revolves – the machinery of government, the media, the business sector, the non-profit sector and not least the ideological orientation of the country. But the colossus is beginning to show signs of frailty. It is no longer assured of victory in elections, and its decline in support points to a drop below 50% in 2024 or 2029 at the latest."

In the event, support for the ANC did drop below 50% in the 2024 national election, as my predecessor, Dr Frans Cronje, had predicted to widespread derision twelve years previously, in 2012. The ANC, a liberation movement-turned-governing party, which enjoyed a seemingly unassailable majority for 30 years after 1994, is now in accelerated decline and we may be witnessing its *Götterdämmerung*.

In the election, the party managed to secure just 40.2% of the vote (down from 57.5% in 2019). In this it was hurt badly by Jacob Zuma's new party, uMkhonto weSizwe (MKP), which secured an impressive 14.6% of the vote on its first outing, having been launched just half a year before the election. Julius Malema's Economic Freedom Fighters (EFF) declined from 10.8% to 9.5%, while the Democratic Alliance (DA) managed to stabilise at 21.8% (up slightly from 20.8% in 2019).

The ANC president, Cyril Ramaphosa, conceded his party's loss and invited other parties to form a Government of National Unity (GNU). Nine broadly pragmatic parties took him up on his offer and a 10-party coalition government was constituted, from which the radical EFF and MKP were excluded. The GNU was greeted with relief by South Africa's businesspeople as well as the international community. The currency strengthened and bond yields dropped at the prospect that pragmatic reforms might be pursued and some growth might return to the economy.

However, these hopes have so far proved evanescent at the time of writing. The latest economic statistics show that South Africa's economy grew by just 0.6% in 2024, even less than the paltry 0.7% recorded in 2023. And this was despite a dramatic improvement in power generation. While 335 days were affected by at least one hour of load-shedding in 2023, just 83 days were impacted in 2024, and during that year there was no load-shedding at all after 27 March.

The low rate of economic growth reflects that the ANC has continued governing as if nothing has changed. It continues to pursue the National Democratic Revolution (NDR) towards socialism, with Mr Ramaphosa saying in January 2025: "We need to intensify the execution of the national democratic revolution." The party's intellectuals have also been at pains to emphasise that they were cooperating with their political rivals, such as the DA, for reasons of convenience and not conviction, and that their commitment to the NDR remains unwavering.

Accordingly, there has been no slow-down in advancing the NDR through legislative means. Cornerstone pieces of legislation, many of which have been in the works for years, have been brought closer to implementation, including the Expropriation Act,

the revised and stricter Employment Equity Act, the National Health Insurance (NHI) Act, and the Basic Education Laws Amendment (BELA) Act. All are designed to strengthen the control of the state over business and society in pursuit of redistribution and racial engineering. All have faced, and continue to face, considerable opposition from civil society, including the IRR.

So where does the balance of forces lie at this time? In a sense, the ANC is sitting pretty. Its most important rivals are all weakened. The DA has been cleverly co-opted into government, shown to be mostly harmless, and tasked with implementing some of the laws it previously most vociferously opposed (the public works minister, responsible for the Expropriation Act, is a DA minister, as is the minister of basic education, responsible for implementing the BELA Act).

The EFF lost 400,000 votes between 2019 and 2024, and much of its top leadership defected to the MKP in the months following the election. Party leader Julius Malema faces a daunting challenge in rebuilding his authority, his credibility and his support. Meanwhile, the MKP has attracted all the big names mentioned in former Chief Justice Zondo's investigation into state capture. It is well stocked with corrupt, competitive politicians who have hitched their fortunes to Jacob Zuma, who turns 83 in April. Infighting and allegations of corruption have already started, plus the party is deeply rooted in KwaZulu-Natal and will find it hard to build support in other provinces that do not have large Zulu populations. It is hardly a base from which to mount a challenge to the ANC.

And yet the ANC is itself weakened. Polling conducted by the Social Research Foundation in February found that support for the party had declined further, to just 32%. When survey participants were asked which party they would vote for if Mr Ramaphosa was no longer the president of South Africa, just 21% named the ANC. The polling data also reveals that a substantial group of voters who would previously have been considered "undecided" – who in the past might have been persuaded to return to the ANC if addressed through a well-run political campaign – are now more accurately seen as "unattached" voters. Having seen that the defeat of the ANC did not herald chaos and violence in the streets, and that the participation of the DA in government did not mean the return of apartheid, they are willing to countenance voting for a party other than the ANC. This development will prove important in future elections.

And yet, despite inching ever closer towards the precipice of electoral oblivion, the ANC clings to its ideological lodestars: interventionism, centralisation and social engineering.

The present moment, as outlined above, presents an unprecedented opportunity for an ideological reset. All the major political parties are simultaneously weakening, and a political vacuum is opening up. It will not remain unattended for long: political entrepreneurs will identify the opportunity and seize it. To be successful, they will have to formulate a coherent and compelling vision for the future of South Africa and then sell it to the voters. If no leader and no party emerges to seize the opportunity, the political space will fragment further and we will see a cycle of fragmentation and consolidation between parties. In this constellation, the DA has the potential to profit from the weakening of its opponents and could start approaching the 30% support level from below. If the ANC continues declining, it will approach the 30% level from above and might even crash through it. A future merger of the DA with the remaining ANC would then be on the cards.

The growing volatility of South African politics is mirrored internationally. The election of Donald Trump to a second term as US president has already proved disruptive. This disruption will persist over the coming years. Mr Trump is not shy about being openly nationalistic and protectionist. His administration seems to relish bullying other countries, both enemies and allies. The South African government has already been on the receiving end of some harsh words in one of Mr Trump's earliest executive orders, which complained about South Africa's foreign policy stance, raised the alarm about the

Expropriation Act and racially discriminatory legislation, and offered South Africans of Afrikaner origin asylum in the US.

So far, the ANC – which has retained tight control over South Africa's international relations – has been defiant in the face of US criticism. Mr Ramaphosa has said that South Africa would not be bullied. For good measure, he doubled down by publishing a piece critical of Israel and the US in *Foreign Policy* magazine, while the ANC deputy secretary general, Nomvula Mokonyane, celebrated the party's friendship with Iran on social media. The GNU also deployed a contentious ambassador, Ebrahim Rasool, to Washington D.C., but he was unceremoniously declared *persona non grata* within two months of arriving, after he had made some offensive comments about Mr Trump in a webinar.

Whether South Africa's bravado will last is anybody's guess. South Africa might seek solace in the embrace of China or the European Union, or both. But the *Zeitgeist* is shifting, and the world will in future be less indulgent of colossal underperformance of the type the ANC has so expertly produced in South Africa. "What did you get done last week?" is Elon Musk's challenge to employees of the federal US government. It will increasingly be a question asked of the ANC as well, by its GNU partners in government, by voters, and by South Africa's international partners.

A further sign of the shifting tide is that the IRR no longer stands alone in criticising race-based former legislation and pointing out the harm it does. The International Monetary Fund (IMF), Chief Justice Zondo, Harvard University economists, the Trump administration and most recently the World Bank have all pointed out that race-based legislation affecting hiring, public procurement and ownership represents a brake on investment and therefore on growth. Work done by IRR fellow Gabriel Crouse is gaining increasing prominence: he has been drawing attention to the fact that the state intentionally overspends on public procurement but that the quantum of overspending – so-called "BEE premiums" – is unknown. The IRR has been applying pressure to the National Treasury, urging it to measure the degree of overspending so that South Africans can get a sense of the price they are paying for transformation.

Within this political and economic context, the IRR is positioning itself as a leading promoter of economic growth and the reforms needed to achieve it. Eight "Blueprint for Growth" papers were published in 2024 that make concrete policy proposals across various areas of the state and the economy to boost growth. These papers will be updated and re-released annually. They form part of the IRR's "What SA Can Be" campaign, which aims to paint a compelling vision of an attractive future for South Africa and to build a pro-growth coalition in support of that vision. In 2025, the "Blueprint for Growth" papers will be complemented by a series of draft laws, drafted and shepherded by Hermann Pretorius, that offer alternatives to the harmful legislation currently on the statute books. Examples include a "Value for Money Bill" (to counter the Public Procurement Act, which promotes government overspending); a "Better Health Bill" (to counter the NHI Act); and a "Right to Own Bill" (to counter the Expropriation Act). All of these will be deployed in media, on social media and in meetings to build the pro-growth coalition and isolate those promoting anti-growth policies.

Making this type of campaign successful requires prodigious levels of output, which the IRR team has a proven track record of producing. In 2024, the IRR made eight submissions to Parliament, including two petitions to the President, published eight "Blueprint for Growth" policy papers, nine short #WhatSACanBe reports, and nine other papers on political and social topics; it placed 1,183 opinion pieces in the media, was cited 517 times, gave 412 interviews, issued 113 press releases, and released 587 audio/video clips. Cumulatively, the IRR appeared in the media 2,812 times, or around 7.7 times per day. Adding the 4,989 social media posts, this number rises to over 21 appearances per day.

Over and above these, the CRA delivered 91 briefings to clients, published 34 papers and reports, answered 186 client queries, issued 50 *Risk Alerts* and 15 *Client Notes*, appeared 59 times on radio shows or podcasts, 41 times on television or third-

party YouTube channels, published 37 opinion pieces and 23 letters, and was cited or interviewed 81 times in the media. Cumulatively, the IRR and Centre for Risk Analysis (CRA) held 115 formal briefings and 365 meetings with policy makers and influencers.

In terms of public communication, our online newspaper, the *Daily Friend*, attracted 938,590 unique website visitors, who cumulatively read our articles 3.5 million times. The related Daily Friend Show, a half-hour podcast published both on podcast platforms and on YouTube, recorded 159,858 episode downloads and 1,824,904 YouTube views in 2024 (20% higher than 2023). The average number of views per episode rose by 15%, from 7,258 to 8,333. The CRA increased the number of its YouTube subscribers from 41,800 at the end of 2023 to over 44,000 a year later.

At the end of 2024, across all platforms, the number of subscribers to IRR communications stood at 540,819, 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 | YouTube | LinkedIn | Instagram | WhatsApp | E-mail | Friends/ subscribers | Total |
|--------------|----------------|---------------|----------------|--------------|--------------|----------|---------------|-------------------------|----------------|
| IRR | 133 956 | 34 200 | – | 2 942 | – | – | – | 19 121 | 190 219 |
| TDF | 66 738 | 4 854 | 19 440 | – | 1 004 | – | 75 680 | – | 167 716 |
| BDL | 76 600 | – | 45 908 | – | – | – | – | – | 122 508 |
| CRA | 12 000 | 1 843 | 43 533 | 3 000 | – | – | – | – | 60 376 |
| Total | 289 294 | 40 897 | 108 881 | 5 942 | 1 004 | – | 75 680 | 19 121 | 540 819 |

Financially, the IRR increased its revenue 10.5%, from R22,431,104 in 2023 to R24,787,709 in 2024, although this amount still fell short of expenditure. Operating expenses increased by 14%, from R27,126,297 in 2023 to R30,962,063 in 2024. Both revenue and expenditure were distorted by an unanticipated project during the course of the year. Excluding that project, costs were well contained and were in line with those of the previous year. The operating loss of R6,306,041 was reduced by an unrealised gain on investments of R2,316,143, thanks to which the IRR ended the year with a loss of R3,989,598.

This is an appropriate place to thank the many remarkable South Africans who help ensure the IRR's success: from the monthly donations of the Friends to the generous contributions from companies and larger donors that make the IRR's work possible. As South Africa enters an era of flux – and the world enters a post-liberal age – the IRR will not deviate from promoting classical liberal values such as individual freedoms, free markets, secure property rights, and the rule of law. These are the conditions that must prevail to give all South Africans the chance to build a free and prosperous life while being treated with respect and dignity.

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 debate in the early part of 2024 was dominated by the approaching election and the prospects of a coalition government taking power thereafter. IRR predictions of the likely outcomes of the election proved prescient. The ANC won only 40.2% of the vote and was compelled to establish a GNU in which 10 parties were represented. The DA, which won 21.8% of the vote, has six posts in an expanded cabinet with 32 ministers (and 43 deputies), while the IFP, which won 3.9% of the vote, has two posts.

Despite its election loss, the ANC has insisted on retaining 20 ministries, or more than 60% of cabinet posts.

As the IRR anticipated, the GNU initially helped strengthen the rand and lower high yields on government bonds, somewhat reducing the burden of debt servicing. It also rekindled potential investor interest in South Africa – but substantial reforms are still needed to encourage more fixed investment. Some new ministers, particularly from the DA, have brought fresh energy and ideas to their portfolios, but the constructive policy changes have yet to be made. Possible changes to the NHI Act are being discussed, but the Department of Health is pushing ahead with regulations aimed at implementing the statute as it stands. Recent news reports suggest that a compromise on this may be in the offing, although nothing official has been stated. The BELA Act was signed into law in mid-September 2024, but its two most controversial clauses were put on hold until mid-December to pursue possible shifts in wording. This was discussed by a GNU “clearing mechanism”, which ultimately decided against changes, and in late December all sections of the Act came into effect. However, the Act will become operative only after national regulations, policies and standards have been developed by DA education minister Siviwe Gwarube, put before the public for comment, and adopted. Whether these subordinate rules will be able to temper the Act’s provisions seems unlikely.

The GNU has been strongly criticised by the South African Communist Party (SACP), the EFF, the MK, and some prominent figures in the ANC – particularly Gauteng premier Panyaza Lesufi – as a “sell-out” to the DA. Thus far, however, the GNU has done little to impede the implementation of the NDR. Indeed, the President has repeatedly expressed a commitment to the NDR.

In the first half of 2024, Anthea Jeffery focused on the IRR’s legislative work. In addition to several submissions and oral presentations, she wrote a petition to the President urging him not to sign the Expropriation Bill (the Bill) into law as it was unconstitutional on both procedural and substantive grounds. In this petition, Dr Jeffery stressed that the government’s own legal advisers had now acknowledged some of the constitutional defects in the Bill that the IRR had long been pointing out. Nonetheless, the President gave his assent to the Bill on 24 January 2025. The IRR is once again pointing out its risks and weaknesses in copious public communication and will seek to help defeat it in court.

Since no important bills had been put before Parliament after the GNU was established, the IRR made no additional submissions on proposed legislation in the second half of the year. It did, however, make a submission on electoral reform to the Electoral Reform Consultation Panel in September 2024.

Dr Jeffery made two contributions to the “Blueprint for Growth” series. Her first paper – on the need to shift from race-based and harmful BEE to a non-racial system of

Economic Empowerment for the Disadvantaged (EED) – was published on 7 May 2024. Her second paper focuses on the core reforms needed to generate millions more jobs and to overcome South Africa's chronic skills shortage. This paper, *Generating Jobs and Skills for Growth and Prosperity*, was published on 8 October 2024.

Both papers were accompanied by press releases, webinars and the publication of op-eds in the *Daily Friend* and several external publications. These included the *Daily Maverick*, *Business Day*, *BizNews* and *Politicsweb*.

The BEE/EED paper focused on the need for a non-racial empowerment alternative that would reach down to the people most in need and provide them with a tangible leg-up via tax-funded vouchers for schooling, housing, and healthcare. The paper also broke new ground by highlighting the extent to which such vouchers, especially for schooling, were being used in other countries.

The Jobs/Skills paper recommended various reforms to coercive labour laws to help price the unskilled back into the labour market. It also proposed several measures to expand employment among the poorly skilled in sectors such as agriculture, mining, tourism and retail. In addition, it urged major reforms to funding and other policies undermining the effectiveness of university education, technical and vocational training, and skills development in the workplace.

Dr Jeffery also wrote a substantial paper, now being finalised for publication by the Middle East Africa Research Institute (Meari), on the extent to which Israel is guilty of the "apartheid" crime against humanity under both the Apartheid Convention of 1973 and the Rome Statute of 1998 – as has increasingly been alleged since 2007. Dr Jeffery, backed by the IRR's decades of research into apartheid laws and their adverse impacts, is particularly well qualified to assess the strength of the apartheid analogy in relation to Israel.

As the draft paper points out, there are many defects in a July 2024 advisory opinion of the International Court of Justice (ICJ), which implicitly endorsed the apartheid accusation against Israel despite a lack of evidence to support this finding. This ICJ opinion also relied on several earlier "apartheid" reports in declaring Israel's occupation of the West Bank, East Jerusalem and Gaza unlawful and demanding its withdrawal from the Occupied Palestinian Territory (OPT) "as rapidly as possible". Again, however, the ICJ lacked credible evidence on which to base this conclusion. In September 2024 the United Nations General Assembly nevertheless relied on the ICJ opinion in adopting a resolution demanding Israel's withdrawal from the OPT within a year and calling on all UN member states to implement trade and arms boycotts against Israel. Flawed "apartheid" reports have also been used to condone the Hamas massacre of 7 October 2023 and strengthen accusations that Israel is guilty of genocide in the Gaza Strip. False apartheid accusations are thus being used to subvert international law and the institutions responsible for upholding it. This has major implications for the maintenance of the rule of law.

Terence Corrigan is responsible for project and publications management. He is also a primary content producer for the IRR. He authors a weekly column for the *Daily Friend* and is a contributor to numerous external publications, such as the *Daily Maverick*, *Politicsweb*, *Africa in Fact* and the *South African Jewish Report*. Much of his work focuses on the importance of property rights, although he has also written extensively on economic and political-cultural matters.

As part of his work, Corrigan oversees the publication of papers. The publications produced by the IRR are organised into a number of series. The "Blueprint for Growth" series is intended to set out the problems afflicting growth prospects and to suggest policy alternatives to expedite growth. Occasional Papers are extended analyses of topical themes; in 2024, most were focused on the election and important talking points as polling day approached – in particular, the growth implications were stressed.

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

- Terence Corrigan: 95 op-eds, 23 letters
- Anthea Jeffery: 6 submissions to Parliament including 2 petitions to the President, 18 op-eds, 1 long paper
- Nicholas Lorimer: 4 op-eds, 8 “This week in the world” features, 21 “This week in history” features

IRR reports and publications

FreeFACTS

FreeFACTS is published monthly on the IRR’s website. Each issue looks at a particular aspect of policy and includes graphs and tables, presented in an easy-to-understand format.



FreeFACTS on demographics: Demographic data shows SA advances but concerns remain (January)

This edition of **FreeFACTS** looked at recent demographic trends and showed that these indicated some improvement in the lives of South Africans.



FreeFACTS on unemployment: Unemployment continues to plague South Africa (February)

In this edition of **FreeFACTS**, the scale of South Africa’s unemployment crisis was laid bare. It showed the large proportions of South Africans who were without jobs and argued that the country was in a crisis situation.



FreeFACTS on infrastructure: Figures reflect SA infrastructure decline (March)

This edition of **FreeFACTS** looked at South Africa’s infrastructure. It noted that while South Africa was blessed with developed infrastructure, issues such as lack of maintenance could see the country lose this advantage.



FreeFACTS on higher education: Higher education expansion shows advances (April)

In this issue **FreeFACTS** on the expansion of higher education in South Africa, it was argued that this was one of the successes of the post-apartheid era.



FreeFACTS on trade: SA should not ignore trade relations in developing foreign policy (May)

This edition of **FreeFACTS** looked at South Africa’s trade relationships, arguing that South Africa’s foreign relations with its main trading partners could not be adversarial without cost.



FreeFACTS on politics: South Africa's political earthquake (June)

This edition of **FreeFACTS** looked at the results of the May election and argued that while the ANC received a bloody nose, reports of its demise were greatly exaggerated.



FreeFACTS on cities: Fix South Africa's cities to fix South Africa (July)

This edition of **FreeFACTS** focused on South Africa's cities and argued that to fix South Africa, you had to fix its cities.



FreeFACTS on the economy: South Africa's economy needs a jumpstart (August)

This edition of **FreeFACTS** looked at South Africa's recent economic performance. It noted that the country's economic growth had been dismal and made some recommendations to reverse the trend.



FreeFACTS on the media: Rapid changes in SA media landscape (September)

The South African media landscape was the focus of this edition. It noted the decline in print media but also showed that the South African press and internet remained free.



FreeFACTS on provinces: SA must guard against provincial decoupling (October)

This edition of **FreeFACTS** looked at the differences in economic growth rates between provinces and warned against provincial decoupling.



FreeFACTS on the economy: Low economic growth has real consequences (November)

This edition of **FreeFACTS** looked at South Africa's low economic growth rates and argued that these had real human consequences.



FreeFACTS on inflation: Control of inflation one of SA's successes (December)

This edition of **FreeFACTS** looked at South Africa's inflation over the last few decades and argued that it was one of the country's post-apartheid successes to have kept inflation fairly low.

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 Department of Water and Sanitation and the Minister of Water and Sanitation regarding the draft National Water Amendment Bill of 2023 and the Water Services Amendment Bill of 2023, 16 January 2024.

These measures were aimed at restructuring the allocation of water rights in South Africa. Among other things, the National Water Amendment Bill would introduce race and redress as the primary considerations in allocating water rights and enable the possible curtailment of existing water rights, all while expanding the regulatory powers of the minister, restricting water trading as well as introducing prescriptive rules for water use associations. The Water Services Bill would introduce compulsory licensing for operators, and set out what this would entail. The goal would be to produce "more professionally managed, capable, efficient, and financially viable water services institutions."

The IRR warned that if passed, the National Water Amendment Bill would likely see existing water licences abolished, with a new regime based on racial preferment introduced. This would make farming unviable for many commercial operations. It also argued that there were constitutional problems with the legislation. In respect of the Water Services Bill, the IRR argued that it failed to take proper account of the real crises besetting the country's water supply system. These include ageing and ineptly run infrastructure, an absence of the requisite skills, and poor governance.

The IRR recommended that these draft laws be scrapped as they would aggravate rather than alleviate the issues they were nominally committed to addressing.

Submission to the Select Committee on Education and Technology, Sports, Arts and Culture, in the National Council of Provinces, regarding the Basic Education Laws Amendment Bill of 2022 [B2B -2022], 31 January 2024.

This Bill sought to give greater powers to education authorities over certain school policy areas, such as language and admissions. While schools could still set these, provincial Heads of Department (HOD) would be able to intervene. They could decide to admit a learner, and had the power to approve language policies; where changes were demanded, the HOD would need to ensure that the necessary resources were provided. Appeals would need to be lodged with the provincial MEC. This was necessary as there was confusion "in regard to where the locus of authority lies in respect of admission to public schools, and as to who has the final say on admissions." The Bill would also allow for functions to be withdrawn from School Governing Bodies, and introduce the possibility of centralised procurement of educational goods. Subsidies to independent schools may be subject to particular and potentially wide-ranging conditions.

The IRR warned that this would undermine schooling, particularly with respect to minority language medium institutions (typically Afrikaans language schools). This could extend in time beyond forcing changes in language policy to demanding changes in the composition of staff. The Bill would remove parental authority in exchange for bureaucratic authority, and also open up opportunities for corruption. The IRR's submission pointed out that the Bill would offer little to deal with the crisis in education.

The submission did, however, note some positives in the Bill, including the withdrawal of an earlier intention to give officials the sole responsibility to appoint principals.

The IRR called for the various damaging measures to be withdrawn, while retaining the positive ones. Dealing with the education problems confronting South Africa would, however, demand a different set of reforms, including abandoning the top-down model in favour of school vouchers that would allow proper choice.

Petition to the Honourable MC Ramaphosa, President of the Republic of South Africa, regarding the Expropriation Bill of 2020 [B23D-2020], 5 April 2024.

This petition attempted to draw the President's attention to the unconstitutionality of the Expropriation Bill. It pointed out that the process had suffered severe procedural defects, including a failure to consider thousands of submissions and a consultation process in which the Bill was confused with a proposed constitutional amendment. Changes to the Bill were also introduced after the consultation process. It also had a number of substantive defects, including being unconstitutional on the grounds of vague wording and limiting the involvement of the courts in the process.

The petition asked the President to decline to sign the Bill and refer it back to the National Assembly. It also stated that the IRR had developed its own alternative expropriation legislation, which was constitutionally compliant.

IRR Submission to the Electoral Reform Consultation Panel, 30 September 2024.

This submission proposed a new electoral system. It pointed out that the current system did not provide for proper linkages between representatives and constituents, leaving many people feeling unheard and possibly causing voter apathy. It was also critical of the minimalist changes introduced in recent amendments to the electoral system, which treated provinces as de facto constituencies.

It proposed two possible alternatives: a mixed-member proportional representation system; and a variant of the proposal made by the Van Zyl Slabbert Commission some two decades ago. The goal would be to introduce a system that would combine geographic constituencies with an element of proportional representation. "Both systems proposed in this submission," the IRR said, "would satisfy various requirements for electoral systems that apply in the South African context. They are reasonably easy to understand. They introduce a constituency element which allows independents to stand, dilutes the power of party bosses, and introduces a form of direct accountability for elected politicians that is currently lacking. At the same time, both systems would retain an element of proportional representation, as required by the South African Constitution."

IRR Submission to the Treasury: On National Health Insurance (NHI), 25 November 2024.

This submission raised concerns about the costs and fiscal impact of the NHI. It noted that the NHI would likely threaten healthcare provision as well as the country's fiscal health, pointing out in particular the unviability of greatly increasing taxes to fund the system.

The IRR recommended that any move towards this objective would need to quantify the revenue impact of taxpayer flight resulting from the introduction of NHI; recognise that the existing public healthcare system already offered universal health coverage, albeit of low quality, and so address corruption and mismanagement in existing public healthcare facilities; and rather look at providing health subsidies or health vouchers to low-income individuals. The NHI should be referred back to the National Assembly for reconsideration.

IRR Submission to the Treasury: On grants, 25 November 2024.

Discussion of the introduction of a Basic Income Grant (BIG) prompted the IRR to make a submission on the matter. It noted both the growing bill for social assistance and the growing dependency ratio. It argued that South Africa would not be able to absorb higher taxes and that a proposed wealth tax or luxury goods tax would not be viable.

The IRR made a case for retaining the existing grants system, but opposed a Basic Income Grant. It recommended that policy be reoriented towards less state dependency and more self-sufficiency (based on earned income) by raising the demand for labour. The latter would in turn be achieved through growth-friendly policies.

Substantive Tax Policy Proposal: Reject New Wealth Tax, 28 November 2024.

Responding to reports that the Treasury was being urged to introduce a wealth tax, the IRR – via IRR Legal – argued that doing so would exacerbate rather than ameliorate South Africa’s economic and developmental problems. It pointed out that South Africa has been experiencing a dire gross fixed investment rate, a trend that a wealth tax would aggravate. It challenged the views of Thomas Piketty, whose writings have been influential in motivating for the tax, showing the low rate of savings. It also argued that wealth taxes had been abandoned in other jurisdictions and that the Davis Commission had urged caution on this matter. Better outcomes could be achieved through a conscious value-for-money approach to state spending, as was advocated by the Zondo Commission.

The submission strongly urged that a wealth tax not be introduced, as its downsides would outweigh any benefits by a considerable margin.

Comments on the Draft Policy on the Allocation and Management of Rights to Operate Fish Processing Establishments and the Draft Policy for the Transfer of Commercial Fishing Rights, 2 December 2024.

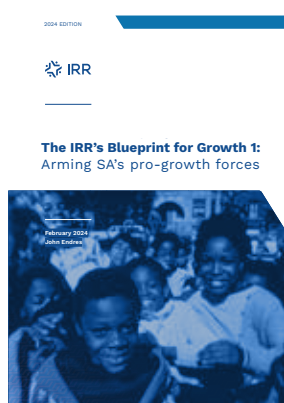
This submission responded to a draft policy outlining the framework for the transfer of commercial fishing rights under the Marine Living Resources Act. It was intended to ensure fairness and impartiality and restated the importance of detailed assessments of applications to prevent monopolistic practices, as well as to ensure compliance with legal and environmental standards. It also emphasised the importance of maintaining the “transformation profile” of the sector.

The submission took issue with the transformation imperative, arguing that it ran counter to economic and developmental imperatives and also conflicted with the Constitution. It urged that the transformation demands in the policy be dropped and that merit be the prime consideration for rights allocation.

Blueprint for Growth

The “Blueprint for Growth” series is intended 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) (February)



The first in our Blueprint series, this paper discussed the imperative of economic growth for South Africa’s future. It argued that while the country was beset by identifiable problems – such as unemployment – these could not be tackled unless the economy was growing. This paper urged that economic growth be placed front and centre of public policy in South Africa. It provided evidence for the benefits of economic growth, explained why South Africa had failed to achieve it, and described what would need to change for the South African economy to grow rapidly. It pitched 7% per annum as a desirable and achievable objective. The paper recommended solutions fundamentally oriented around policy reform, which required political will, rather than

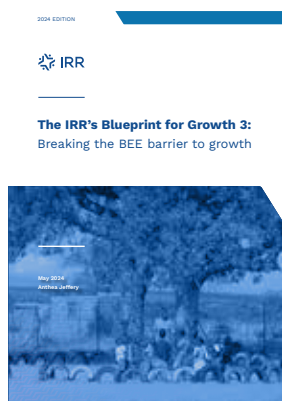
spending large amounts of money.

Blueprint for Growth 2: Slash waste, cut taxes (Gabriel Crouse) (February)



This Blueprint examined the state of tax and tax policy in South Africa. South Africa had an extremely narrow tax base, and in the absence of meaningful economic growth, this was not likely to expand. The effectiveness with which South Africa's taxes were being put to use was in sharp decline, a matter with particularly serious implications for the country's procurement regime. To align South Africa's tax regime with its growth imperatives, the paper proposed reform of procurement, putting value for money rather than racial preference at the core, and reducing VAT to 11.5%.

Blueprint for Growth 3: Breaking the BEE barrier to growth (Anthea Jeffery) (May)



This Blueprint examined the seminal issue of Black Economic Empowerment (BEE) policy. Drawing on decades of work on the matter, the paper challenged the contention that race-based measures were necessary and effective in dealing with the after-effects of apartheid. BEE had proved to be a hindrance to growth, disincentivising investment and employment and encouraging rent seeking. It needed to be rescinded and replaced. The paper set out the IRR's alternative vision. EED would incentivise growth-promoting and upliftment measures for the country's less affluent people.

Blueprint for Growth 4: In Service of the Public: Reforming South Africa's public administration (Sara Gon and Terence Corrigan) (August)



This Blueprint looked at the parlous state of public administration and how to remedy it. Noting that South Africa's failure owed a great deal to incompetence within the state – witness such matters as the failure of municipal governance – it traced this to ideologically driven choices, the structuring of governance legislation, and the failure to contain corruption. The paper recommended both legislative reforms to begin the process of depoliticisation, as well as empowering day-to-day management in the public service, and accepting the need for ongoing adaptability to changing circumstances.

Blueprint for Growth 5: Infrastructure (Anlu Keeve) (October)



This Blueprint looked at the blockages to growth arising from the failure of South Africa's infrastructure, such as its electricity supply system and logistics network. Key to the current set of circumstances had been the failure to invest sufficiently in infrastructure; this was holding back investment in the economy overall. The objective was to raise the level of public sector investment from the 3.8% of GDP registered in 2021 to at least 10% of GDP by 2030. This implied prioritising infrastructure to ensure the proper allocation of responsibilities across the various sectors. For this reason, a key focus of the paper was the importance of establishing and facilitating private-public partnerships to construct, maintain and manage important infrastructure, including water, electricity, rail and road, and ports.

Blueprint for Growth 6: Generating jobs and skills (Anthea Jeffery) (October)



This Blueprint focused on the pressing need to generate employment and a skills profile appropriate to the demands of the economy. Through an in-depth discussion of the employment environment, it identified the impact of labour legislation, the minimum wage, and the coercive bargaining council regime as key hindrances. It went on to discuss the job-rich growth potential of particular sectors of the economy, such as agriculture and mining – provided a suitable environment was established for them. The paper proposed education reforms, especially in the vocational sphere, abolishing the Sectoral Education and Training Authorities. University access could be dealt with by tightening up admission criteria to filter out unprepared applicants, and funding via income-

contingent loans. EED principles could furthermore be applied to promote employment and skills development.

Blueprint for Growth 7: Open(ing) for business (Terence Corrigan) (November)



This Blueprint discussed the state of investment in South Africa, arguing that without a significant increase, South Africa would not be able to elevate growth or deal with its socio-economic problems. It showed that South Africa had fallen behind its emerging market peers in garnering investment (local and foreign), and even by the standards of its own record, its failures in this respect were extreme. The paper explained the various barriers to investment along three lines of consideration: the foundations, encompassing matters like security and infrastructure; value adders, these being human capital, the regulatory environment, and knowledge; and drivers, high-level interventions such as sector prioritisation and identifying winners. It concluded by arguing that South

Africa needed policy and governance reform that must address all these matters, particularly the foundational ones.

Blueprint for Growth 8: Solutions to SA's crime crisis (Marius Roodt) (December)



This Blueprint dealt with South Africa's crime epidemic. It interrogated what needed to be done to address it, and described the deleterious impact it had had on South Africa's growth prospects. It proposed extensive reforms to policing and the justice system. The structure of South African policing must be rethought. The current centralised model was an international rarity which was ill suited for the community relationships and accountability that make policing effective. The police service itself needed to be reformed and fundamentally professionalised. Legal reforms needed to be undertaken and the SAPS Act needed to be amended to clarify the interaction between the police minister and the police commissioner. The private sector could be brought into

the formal policing structure. Above all, economic growth was imperative to provide alternatives to crime as a livelihood.

#WhatSACanBe

The #WhatSACanBe series presents short but substantive policy suggestions, along with analyses of the possibilities of implementing them. As part of the #WhatSACanBe initiative, the IRR conducted a short and sharp project in the Northern Cape, for which R5m was secured in funding.

#WhatSACanBe: Fixing South Africa's Energy Crisis



Given that South Africa's energy crisis remained one of the greatest obstacles to economic growth, with load-shedding having crippled businesses, deterred investment, and destroyed jobs, this paper examined the failures of Eskom and the policy missteps that exacerbated the crisis. It argued for urgent reforms to stabilise the electricity supply, including ramping up private generation, allowing independent producers to sell to the grid, and unbundling Eskom into separate generation, transmission, and distribution entities. The focus must be on least-cost, reliable energy rather than ideological commitments. Overcoming resistance from vested interests would not be easy, but securing stable, affordable electricity was essential for South Africa's future.

#WhatSACanBe: Transforming Education for Growth and Opportunity



Against the backdrop of education being South Africa's most powerful tool for lifting people out of poverty, but with the country having a system that continued to fail millions, this paper explored the case for a tax-funded school voucher system to empower parents, drive competition, and improve educational outcomes. South Africa's independent and low-fee schools had consistently outperformed their public counterparts, demonstrating the potential for reform. By shifting funding directly to families, underperforming schools would be forced to improve or close, while new, better-managed institutions would emerge to meet demand. Resistance from vested interests was expected, but this policy offered a proven model to improve social mobility, economic

opportunity, and long-term growth.

#WhatSACanBe: Expanding Healthcare Access and Quality



Given the deep crisis in South Africa's public healthcare system, while private healthcare remained out of reach for many, this paper examined a bold solution: tax-funded health vouchers that would allow individuals to choose their healthcare providers, fostering competition and improving service delivery. This would ease pressure on state hospitals while making quality care more accessible to lower-income households. Resistance from entrenched interests was inevitable, but the benefits – better health outcomes, reduced corruption, and a more efficient system – made this reform imperative. Expanding access to quality healthcare would improve productivity, enhance well-being, and drive long-term economic growth.

#WhatSACanBe: Rebuilding South Africa's Infrastructure



In the context of decaying infrastructure being a major bottleneck to economic expansion, with poorly maintained roads, failing rail networks, and underperforming ports driving up costs and eroding South Africa's competitiveness, this paper called for urgent public-private partnerships to rehabilitate transport infrastructure, including granting major exporters control over key rail corridors for 15 years to ensure investment and efficiency. A specialised railway police unit must be established to combat theft and vandalism, while freight transport must shift from road to rail to cut costs and improve safety. Resistance from entrenched interests was inevitable, but restoring South Africa's infrastructure was essential for sustained growth and investment.

#WhatSACanBe: Making Work Pay, Unlocking Opportunity



Considering that South Africa's labour laws were among the most rigid in the world, contributing to mass unemployment and locking millions out of work, this paper set out a plan to introduce a Job Seekers Exemption Certificate (JSEC), allowing unemployed individuals to opt out of restrictive labour regulations for two years. This would improve their chances of securing employment by removing barriers such as rigid employment equity rules and excessive minimum wages. While opposition from unions and political interests was certain, urgent reforms were needed to expand access to jobs, increase economic participation, and break the cycle of dependency on the state.

#WhatSACanBe: Restoring Fiscal Discipline and Investor Confidence



The crisis of South Africa's public finances, with years of mismanagement, rising debt, and sluggish economic growth having left the country on an unsustainable fiscal path, foregrounded the call in this paper for a shift towards achieving a primary budget surplus by cutting wasteful expenditure rather than raising taxes. Restoring investor confidence required a leaner, more efficient state that prioritised essential services while safeguarding social grants. Resistance from entrenched interests was inevitable, but without decisive action, South Africa's mounting debt burden would continue to strangle growth and undermine economic recovery.

#WhatSACanBe: Removing Barriers to Investment



This paper, arguing that without a dramatic increase in investment, South Africa would not achieve meaningful economic growth, examined the key obstacles holding the country back, including policy uncertainty, restrictive localisation mandates, and threats to property rights. It argued for the immediate scrapping of localisation master plans, restoring property rights protections, and streamlining business regulations. Expropriation without compensation (EWC) must be decisively ruled out to restore investor confidence. Reopening Special Economic Zones with flexible labour laws and tax incentives would attract capital. While resistance from vested interests was expected, removing barriers to investment was essential for job creation and long-term prosperity.

#WhatSACanBe: Reforming Law and Order to Restore Safety



Crime and corruption were eroding South Africa's economic potential and public trust in the state, this paper argued, calling for urgent reforms to decentralise policing, allowing provinces and municipalities greater control over law enforcement to address crime at a local level. It proposed a new national policing framework tailored to regional needs, strengthening municipal policing powers, and reintroducing specialist crime-fighting units. Municipal courts should be established to improve access to justice, and tax breaks should be introduced for private security investments. While opposition from political and policing interests was likely, public and business support for these measures made reform a winnable fight.

#WhatSACanBe: Professionalising Public Administration



Against the backdrop of a public administration plagued by inefficiency, patronage, and political interference, severely hampering service delivery, this paper argued for a fundamental overhaul of the civil service, including merit-based hiring, depoliticised appointments, and entrance exams to ensure competency. Expanding public-private partnerships in service delivery, such as passport processing through banks, would enhance efficiency. Strengthening disciplinary processes to swiftly address misconduct and increasing public accountability through regular media briefings would further improve state responsiveness. While vested interests would resist change, professionalising public administration was critical to delivering better services and rebuilding public trust.

Occasional reports

Occasional reports are analyses of topical themes or policy issues germane to any of the priorities of the IRR. They do not form part of a regular series but are authored and published as and when appropriate.

The 7 economic pillars of the EFF (February 2024)



With the election approaching and interest in a possible government role for the EFF, this paper examined the party's ideological roots and the key features of its political programme. It also compared its approach to the perspectives of classical liberalism, as espoused by the IRR. The EFF's proposals promised a state-centric economy that would compound South Africa's economic crisis and undermine political liberty as well.

Growth prospects of the ANC manifesto (May 2024)



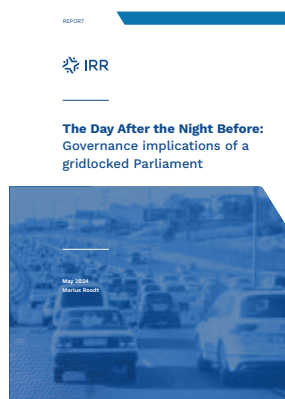
One of a pair of papers on what the largest parties' manifestos indicated about their respective approaches to economic growth, this paper featured the pledges of the ANC. It noted that the party's promises were largely about policy continuity, seeking to "speed up transformation". The paper concluded that the ANC's manifesto effectively promised to continue the policy and governance mix that had brought South Africa to its present malaise.

Growth prospects of the DA manifesto (May 2024)



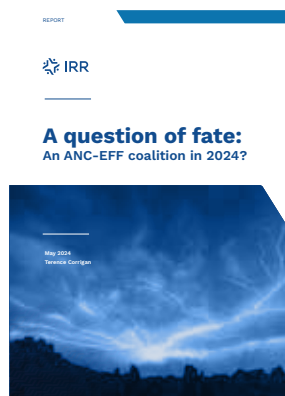
The second of the papers on manifestos, this looked at that of the DA, which at the time of writing was the official opposition. While concluding that the DA manifesto was fairly growth-friendly, the paper nevertheless argued that it had several oversights, such as in education and healthcare, which did not introduce sufficient fresh thinking to dealing with the scale of the problems confronting the country.

The day after the night before (May 2024)



This paper examined the prospects of parliamentary gridlock, that is, a situation in which no party achieved a majority, and no working arrangement could be reached. It set out a number of plausible scenarios in which this could arise, and how each might be navigated. It noted that this would have profound implications for the state of governance and the functioning of the economy. It was also no mere thought experiment, given that voting patterns were shifting and single-party dominance was in decline.

A question of fate: An ANC-EFF coalition in 2024? (May 2024)



With concerns mounting that the election would result in a coalition between the ANC and EFF, this paper set out a plausible scenario. Drawing on the literature on populism, it described how such an arrangement would be grounded in reckless fiscal and economic management; from this would flow the degradation of the country's institutions and capacity for governance. Ultimately, the viability of South Africa as a modern state would come under question.

Online risks and harms: Citizens under surveillance (July 2024)



This paper examined policies worldwide seeking to protect people from harm associated with online life. It warned that mass digital surveillance legislation was being introduced across the world's democracies. Typically, it was framed as measures to protect the public in general, and children in particular. The paper concluded that this trend had potentially vast implications for personal liberty and privacy, ultimately risking the existence of free societies.

Gauteng Water Crisis (November 2024)



The paper examined the causes of the water crisis in the Gauteng region. It noted that the causes of the breakdown of water infrastructure ranged from dilapidated water distribution systems to meter inaccuracies, which, combined, cost municipalities millions of litres of drinking water and millions of rands in lost revenue. The report further emphasised the urgency of confronting the region's water crisis, offering practical recommendations to immediately resolve leakages responsible for 35% of Gauteng's treated drinking water being lost every day.

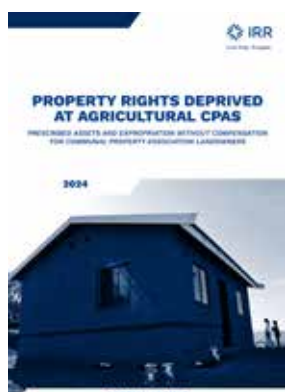
Hope, Opportunity, Unity, and New Common Ground: Findings of IRR Polling (November 2024)



This paper presented the findings of the IRR's 2024 opinion polling, offering a snapshot of public sentiment following the historic May 2024 elections and the formation of the GNU. The polling revealed cautious optimism, with 63% preferring the GNU to the previous ANC-only government and strong approval for the inclusion of key coalition partners like the DA (64%) and IFP (58%). Economic priorities were clear: 83% of South Africans favoured job creation over social grants, and 63% supported a business-led growth strategy. Encouragingly, 87% saw racial collaboration as vital for progress. Yet, despite optimism, uncertainty lingered, with 20% of respondents being unsure about the future – up from 13% in 2022. While the GNU enjoyed goodwill, its long-term viability hinged on

delivering tangible improvements. Failure to do so could strengthen radical opposition parties and undermine the stability of South Africa's political landscape.

Property Rights Deprived at Agricultural CPAs (December 2024)



This paper drew attention to a little-remarked-on piece of legislation, the Communal Property Association (CPA) Amendment Act. This would compel hundreds of thousands of property holders across rural South Africa to get “consent” from state officials before they could lease or sell their land. The paper pointed out that this would be directly harmful to CPA landowners, who owned over 2 million hectares of land across rural South Africa. This, it added, set a precedent for interventions such as prescribed assets.

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. With over 700 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 an interest in South Africa.

The 2025 edition was published in March 2025 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 and Communications

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.

The key themes of the IRR's media presence in 2024 were high visibility, needle-sharp relevance and solid credibility, thanks in large part to the substance of IRR research over many years, and the organisation's consistent, unapologetic and essentially optimistic convictions about South Africa's rich potential.

These achievements, amply reflected in the numbers below, were the sum of the collective efforts of all those engaged in analysis and writing and in getting the IRR's argument into the public conversation via all forms of media, from print to broadcasting, podcasts to social media.

For all the energy some of our most febrile critics continued to invest in attempts to discredit us, our doggedly sticking to the liberal line coincided with an election outcome that markedly widened the scope for precisely the kinds of ideas our analysis and research have yielded.

Our high visibility was particularly notable in a media environment in which financial stress was pervasive (vividly reflected in the very last print editions of key newspapers in the important and hospitable Naspers stable towards the end of the year). The realities of a stressed and shifting media environment were factored into the IRR media team's strategic thinking about exploiting new ways of stimulating the public mind, and engaging opponents – or, perhaps more important, the sceptical and the uninformed – about better liberal options for policy and regulatory reform, and for unleashing the agency of individuals who may recognise, at last, their authentic stake in society and the economy.

Especially significant in this regard were two series of papers produced in 2024, the “Blueprint for Growth” series (eight altogether and, in the weeks immediately after the election, the nine shorter #WhatSACanBe reports <https://irr.org.za/reports/whatsacanbe/energy-fix-delivery-boost-jobs>).

Both series provided practical ideas and proposals to achieve real economic transformation via growth, investment, job creation and skills development, while also underscoring the pragmatism that would be necessary to sustain the collaborative politics of the coalition era.

It is very likely that interest in this body of research – grouped more accessibly on the IRR website, courtesy of a partial re-design – accounted for the greatly encouraging uptick in traffic to the site [<https://irr.org.za/>].

The work of 2024 lays a strong foundation for the ongoing challenge in the media space for 2025 and beyond, of keeping IRR ideas high on the list of things South Africans – in politics, business, civil society, academia, the workplace, at home and so on – are thinking about when they grapple with imagining the better society they hope to live in.

This challenge was one that IRR CEO Dr John Endres dwelt on in a number of contributions in 2024, preeminently in three addresses to foreign audiences – the first in the United Kingdom, at the Institute of Economic Affairs in London <https://dailyfriend.co.za/2024/06/13/south-africas-precarious-2024-opportunity/>, the second in the United States, at the Cato Institute in Washington DC <https://dailyfriend.co.za/2024/06/20/sas-high-stakes-opportunity/>, and the third, in November, at the Harvard Club in New York City <https://dailyfriend.co.za/2024/11/20/to-speak-up-stand-up-and-step-up/>. All three gained significant domestic attention, too.

In his address to the Harvard Club, Dr Endres voiced the hope that South Africa “will be able to realise the dream Nelson Mandela formulated for South Africa in 1994”.

The challenge boiled down to economic growth. “If higher rates of growth are achieved, a bright future lies ahead for the country. If not, South Africa's people will continue to become poorer. It is as simple as that.”

Dr Endres noted that while the ANC's “choice of partners [in government, after its worst electoral performance since 1994 denied it its majority] signalled a move towards pragmatism instead of revolution” ... the IRR was “concerned about a lack of urgency on the part of the GNU [government of national unity] in pursuing economic growth”.

“Our concern is that the pragmatic constellation of South Africa's politics will not be sustained in the absence of tangible improvements in the living conditions of ordinary South Africans, which require economic growth to be brought about. If the GNU fails in this

task, then the revolutionary, anti-constitutional parties will have a chance to discredit the experiment in pragmatism and offer themselves as an alternative.”

These sentiments underscored the importance of a liberal media effort that succeeded in replacing bad or ineffective ideas that undermined growth and wellbeing with sensible proposals capable of turning South Africa on to the path of success.

The number of published opinion pieces in 2024 totalled 1,183. Over and above that number, the IRR was cited 517 times in the media, gave 412 interviews, issued 113 press releases and released 587 audio/video clips. Cumulatively, the IRR appeared in the media 2,812 times, or around 7.7 times per day. Adding the 4,989 social media posts, this number rises to over 21 appearances per day.

IRR Campaigns

Objective: Generate political pressure through campaigns and petitions, as well as support for the Friends crowdfunding initiative.

Growth papers

The campaigns team helped market the “Blueprint for Growth” papers and obtain exposure by securing meetings with relevant stakeholders. It contacted private sector actors, trade unions, and business chambers to propose discussions on growth.

The team met or otherwise interacted with a wide range of entities representing South Africa’s civil society, including the Solidarity trade union, the Minerals Council of South Africa, Business Unity South Africa, various companies, the Department of Education, the South African Human Rights Commission, and representatives of the Govan Mbeki municipality in Mpumalanga.

Expropriation without compensation

In 2024, the IRR continued to oppose the Expropriation Bill on numerous fronts, including through press releases, by writing in the media, by petitioning the President not to sign the Bill, and by mobilising stakeholders from ratings agencies to investors, advising them to get in the fight to stop it from becoming law. Once Mr Ramaphosa assented to the Expropriation Act, IRR Legal committed to either launching a court action against it or acting as a Friend of the Court to raise concerns around its constitutionality.

Tax is too high

The Tax is Too High campaign hinged on a paper written by Gabriel Crouse that drew attention to high levels of taxes and the disproportionate burden of taxes on the poor as a result of weak state capacity to employ resources productively. Working with Mr Crouse, the campaigns team communicated tax cut proposals to the Treasury and pressed it to quantify the degree of licit state overspending in the form of BEE premiums. The team also submitted three written proposals to the Treasury, on a proposed wealth tax, the proposed Basic Income Grant (BIG), and the NHI.

National Health Insurance (NHI)

The team opposed the NHI by writing articles and press releases and inviting trade unions to discuss the impact of the NHI on the medical profession and healthcare workers in particular. Articles written on the topic included “NHI: You will have no healthcare and you will be happy”; “The poor will be the most hurt by the NHI”; and “You think 800 unemployed doctors is bad? Wait until the NHI bill is passed”. The team also asked Treasury whether IRR calculations on the potential tax implications of the NHI were correct and whether Treasury had done any modelling on the NHI threat to South Africa’s tax revenue. The team asked the health minister, Dr Aaron Motsoaledi, to say how the revenue required to support the NHI would be raised. The minister’s office responded with a letter undertaking to counter the IRR’s concerns about the potential patient-care wait times that could arise if the NHI Bill was implemented.

Racial classification

The team launched a campaign questioning whether racial classifications were appropriate in a country which upheld non-racialism as a constitutional value, and in which there was no legal basis for classifying people by race. Several organisations were approached to determine what their view was on racial classification and whether it was appropriate for South Africa 30 years after the end of apartheid, including the Commission for Employment Equity (CEE) and the South African Human Rights Commission (SAHRC). The chairperson of the employment equity commission said that the IRR's criticism of racial definitions fell outside the CEE's scope of work. The SAHRC agreed to a meeting at which the team's interlocutor proposed self-identification as the governing principle of racial classification, adding that race laws needed a sunset clause. The interaction earned the team prime-time media attention on eNCA and SAfm, among others.

The team wrote to all non-ANC ministers in the GNU to ask how they planned to defend non-racialism as members of the government, while drawing attention to the race-based statutes within their ministries, using the Index of Race Law. The team received a response from the minister of education, Siviwe Gwarube, requesting that all "offending features" of laws within her department be brought to her attention. This list, encompassing racialised clauses in statutes impinging on the education portfolio, was sent back to the minister in October 2024.

Water crisis

The team released a report on the Gauteng water crisis in November 2024. Because of Gauteng's economic importance, the consequences of potentially running out of water in this province outweighed the impact of such an event in the other provinces. The report summarised the origin of the Gauteng water outages and proposed various ways in which the Gauteng municipalities could mitigate the looming crisis.

In December 2024 the team travelled to the Govan Mbeki municipality in Mpumalanga and interviewed local residents, as well as Mayor Nhlakanipho Zuma, about their own challenges with water. The municipality had had on-going but unresolved water cuts that persisted for years. The visit was filmed and the video released in January 2025.

This table shows cumulative Friends statistics for 2024:

| Friends Initiative | Sign-ups 2024 |
|--|--------------------------|
| Carry forward net amount of Friends at 31 December prior year | 19 302 |
| New Friends 1st quarter | 131 |
| Plus reinstatement of previously cancelled Friends | 236 |
| Less cancelled Friends 1st quarter | 438 |
| | 19 231 |
| New Friends 2nd quarter | 102 |
| Plus reinstatement of previously cancelled Friends | 292 |
| Less cancelled Friends 2nd quarter | 439 |
| | 19 186 |
| New Friends 3rd quarter | 117 |
| Plus reinstatement of previously cancelled Friends | 26 |
| Less cancelled Friends 3rd quarter | 194 |
| | 19 135 |
| New Friends 4th quarter | 78 |
| Plus reinstatement of previously cancelled Friends | 4 |
| Less cancelled Friends 4th quarter | 96 |
| | 19 121 |
| Total debit orders presented end December 2024 | 8 595 |
| Total debit orders returned | 512 |
| Active number of Friends end December 2024 | 8 083 |
| Value average per Friends donation | R73.52 |

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 might not carry.

The *Daily Friend* site performed well in 2024.

The number of unique visitors in the year was 940,000 or just below one million, which was the target the *Daily Friend* was aiming to reach. This represented a 40% increase over the 670,000 who visited the site in 2023.

The overall number of pages visited (effectively articles read) also saw growth. In 2024 this number was 3.5 million, compared to the 3.3 million in 2023.

This was also reflected in how well the most popular articles performed in 2024 compared to 2023. Of the 20 most-read articles in 2023 and 2024, 14 were published in 2024. While the most popular article over those two years remained an article written by Viv Vermaak in May 2023, only three articles of the top 10 most-read articles were from 2023.

Apart from Ms Vermaak's article, the five most-read articles on the *Daily Friend* for 2023 and 2024 were published in the latter year. They included a piece by Dr Endres on how Namibians viewed South Africa, another by Andrew Kenny on energy policy and two by Ivo Vegter – one on the issue of spaza shops in South Africa and the other on the weaknesses of the GNU cabinet.

This was against a backdrop of higher content in the *Daily Friend*. In 2024 the *Daily Friend* published 666 opinion pieces, compared to the 563 published in 2023. There were also slightly more podcasts, while the number of cartoons published saw a slight decline in 2024 compared to 2023, going from 72 to 66.

Our social media platforms also showed growth.

On X the *Daily Friend* reached 4,854 followers, an increase of 510 compared to the end of 2023. Facebook was relatively static, with the number of people following the page at the end of 2024 holding steady at 66,738.

The *Daily Friend* newsletter, sent daily, showed strong growth. At the end of 2023 the number of subscribers to the email newsletter was 66,230 – at the end of 2024 this had grown by 9,450.

The average open rate for the newsletter remained high. In 2023 the average open rate for the email was between 25% and 30% in each month. In 2024 there was a slight decrease in the open rate – there were five months where the open rate was below 25%, but it remained above 24%.

By industry standards this was excellent, with open rates for most newsletters being far lower.

A further indication of how the *Daily Friend's* readership was growing was the number of reactions and comments to articles on the site. In 2024 there were nearly 30,000 comments in total, on various articles. This reflected an increase of about 4% on 2023, which in turn was 4% higher than the previous year.

The number of "reactions" to articles also showed growth. In 2024 the total number of reactions to articles on the site was 94,000, a significant increase on the 72,000 reactions recorded in 2023 and the 58,000 recorded in 2022.

The higher number of comments and reactions showed readers were increasingly engaged and more likely to return to the site for comment, analysis, and news.

While the growth on social media was slightly disappointing, the way social media companies promote and platform content was fairly opaque and often dependent on shifting, complex algorithms, which could give a false view of how content was performing on social media. However, the very strong growth in the number of readers in 2024 compared to 2023 showed the *Daily Friend* was continuing to attract new readers, while retaining existing ones.

The *Daily Friend* was also read by opinion leaders and opinion makers. Tim Cohen, the former editor of *Business Maverick*, mentioned the *Daily Friend* (normally in fairly positive terms) in his writing.

On X, *Daily Friend* articles were often retweeted by serving and former senior DA officials, including Tony Leon and Helen Zille.

Ashor Sarupen, one of the two deputy ministers of finance and a deputy federal chair of the DA, wrote a “right of reply” to an article written by *Daily Friend* columnist Martin van Staden. Mr Van Staden had written a piece criticising the DA in the GNU, with Mr Sarupen disputing Mr Van Staden’s argument. This was not the first time that senior DA politicians sought a “right of reply” to pieces published in the *Daily Friend*. On previous occasions, Dean Macpherson, then a DA MP and now a GNU minister, and Cape Town mayor Geordin Hill-Lewis, both requested (and were given) a right to reply in the publication.

Jordan Griffiths, a former DA councillor in Tshwane and now Mr Sarupen’s private secretary and advisor, also approached the *Daily Friend* with an unsolicited piece, indicating that the publication was seen as a site with an increasingly wide reach and influence.

This showed the *Daily Friend* was read and seen by senior people in the DA, and now government. It was clear the *Daily Friend* was seen as having some clout and influence – if this was not the case these kinds of “right of reply” would not have been sought.

Furthermore, *Daily Friend* columns continued to be drawn on by a variety of other media organisations, ranging from *Freight News*, *BizNews* and *Defenceweb* to *Politicsweb*, showing the high regard in which *Daily Friend* analysis was held. When *BizNews* republished the best articles it had run in 2024, the list included a number of pieces which had first appeared on the *Daily Friend*, including articles by Dr Endres and IRR staffers Marius Roodt and Terence Corrigan, as well as by *Daily Friend* contributors Ivo Vegter, Jonathan Katzenellenbogen, and Richard Wilkinson.

An academic at the University of Johannesburg (UJ), Ndzalama Mathebula of the Department of Politics and International Relations, approached the *Daily Friend* with a proposal to place opinion pieces written by her students on various aspects of international law and how they pertained to South Africa. The *Daily Friend* placed three pieces written by Ms Mathebula’s students in August.

A well-known lawyer also approached the *Daily Friend* to offer an unsolicited piece on the happenings around the controversial BELA Bill. The lawyer wished to remain anonymous, and his piece was published under the pseudonym, *Jan Burger*. The author’s choice in placing the piece with the *Daily Friend* reflected his confidence that his argument would be read by the right people.

The spokesperson of the Wilgenhof Alumni Society, Jaco Rabie, also approached the *Daily Friend* with an unsolicited piece on the controversy about the residence, and the decision by Stellenbosch University to close it. Again, this showed that the *Daily Friend* was seen as a serious platform that was worth being published on.

The *Daily Friend* increasingly received unsolicited communications from public relations companies, on a wide range of issues, indicating that the title had achieved sufficient prominence to register on the radar of these organisations as an important player in the media ecosystem.

The podcast, broadcast every weekday, saw strong growth, rising from 1.5 million views (and revenue of R33,700) in 2023, to 1.8 million views (with slightly lower YouTube revenue of R29,000). The number of overall hours watched approximately doubled in 2024 compared to 2023, with the total for 2024 being over 400,000.

The slight decline in revenue might be because the *Daily Friend Show* switched to more short-form content – short episodes of 10 to 15 minutes were broadcast on Tuesdays, Wednesdays, and Thursdays, with longer episodes – half an hour in duration – being broadcast on Mondays and Fridays.

The *Daily Friend* also received revenue from direct donations through Payfast. This grew by 73% from 2023 (R112,653) to 2024 (R194,615).

The *Daily Friend* succeeded in creating much debate among readers, with exchanges on certain pieces in the comment section or social media often being scathing. Now and then, readers requested by email to be taken off the mailing list because they disagreed with a piece. Such moments underscored the pertinence of a letter in *The Times of London*, which read:

Sir,

There were several articles in Saturday's comment section with which I profoundly disagreed.

Keep up the good work.

Alan Hawkes

Saffron Waldon, Essex.

This letter summarises some of the aims of the *Daily Friend*. Beyond promoting liberal principles, values, and policy positions, the *Daily Friend* also aimed to be thought-provoking and to pull people out of any echo chambers they may exist in.

Overall, 2024 was a successful year for the *Daily Friend*, with strong growth in the number of readers, page views, and in our small revenue stream. Between January and December 2024, the *Daily Friend* published 666 op-eds, 1,000 news items, 66 cartoons, and 255 videos, making a total of 1,987 items, or 5.4 per day on average.

The Daily Friend Show



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

The *Daily Friend Show* presented two 30-minute episodes a week, on Mondays and Fridays, complemented by three 10-minute shows called the *Daily Friend Wrap* on Tuesdays, Wednesdays, and Thursdays.

The fourth quarter of 2024 was relatively slow for the show. The news was mostly filled with recurring stories of troubles in the GNU and problems in Johannesburg. The slow news cycle reduced interest in the show. Overall, however, the year was fairly strong, with some solid growth from 2023 and over 2 million views and downloads across the platforms.

2024 ended with 1,824,904 views of the show on YouTube (20% higher than 2023), and another 159,858 listens on audio only. The show reached 19,440 channel subscribers (28% higher than in 2023). During the year we uploaded 219 videos (compared to 209 in 2023), while the average number of views per episode increased from 7,258 to 8,333 (up 15%). The total number of views or listens across YouTube, Facebook, Twitter, and iono.fm between 1 January and 31 December 2024 came to 2,006,834, an increase of 18% over the previous year.

Liberal Club

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. Highlight talks of the year included Mathew Cuthbert and Gareth van Onselen.

| The Liberal Club speakers 2024 | | | |
|--------------------------------|--|---------------------------|--|
| Date | Topic | Speaker | Role |
| 16 January | Why I am ashamed to be a South African | Mark Oppenheimer | Advocate |
| 23 January | The European Union is anti-fragile | Sean McLaughlin | Biz News Columnist |
| 30 January | Why the Jews? Explaining the persistence of antisemitism | Professor Adam Mendelsohn | Professor Kaplan Centre for Jewish Studies |
| 6 February | Yemen and the Houthis: a brief history | Nicholas Lorimer | IRR geopolitical researcher |
| 13 February | Writing on an unimaginative speech | Terence Corrigan | IRR project manager |
| 20 February | The 2024 South African elections | Gareth van Onselen | Pollster and political analyst |
| 5 March | The Democratic Alliance election manifesto for 2024 | Mat Cuthbert | DA head of policy |
| 12 March | Taiwan and China | Allan Edwards | Canadian trade envoy |
| 19 March | Geopolitics | Bheki Mahlobo | Economist and former IRR staff |
| 26 March | Augmenting Business Processes with AI | Shelton Wilson | Cloud computing expert |
| 9 April | Political correctness and linguistics | Tessa O'Malley | Junior lecturer: Stellenbosch University |
| 16 April | The Islamic Republic of Iran | Sara Gon | IRR staffer |
| 23 April | An overview of Iranian history pre-1979 | Nicholas Lorimer | IRR staffer |
| 30 April | "Localisation: How poorly considered good intentions yield terrible economic outcomes" | Donald Mackay | XA CEO |
| 7 May | An economic overview of South Africa | Dawie Roodt | Economist |
| 14 May | Tracking polls and polling | Gareth van Onselen | Pollster and political analyst |
| 21 May | An overview of the South African political landscape | Frans Cronje | Analyst |
| 4 June | Canadian supply and confidence agreements | Allan Edwards | Canadian trade commissioner |
| 18 June | South Africa at war, an examination of South African military history | Edward Polsue | Free Speech Union Intern |
| 25 June | Left? Right? Left and right? Left-right? Leftrightleftright? | Terence Corrigan | IRR project manager |
| 2 July | Automation in the workplace | Anlu Kieve | IRR researcher |
| 9 July | Trip to Israel | David Ansara | CEO of the Free Market Foundation |
| 16 July | Update on US election | Kevin Colglazier | Global banker (ret.) |
| 23 July | American Heritage Foundation's "Project 2025" | Ivo Vegter | Daily Friend writer |

| The Liberal Club speakers 2024 | | | |
|--------------------------------|--|--------------------|----------------------------|
| Date | Topic | Speaker | Role |
| 6 August | School capture: the Pretoria High School for Girls case study | Richard Wilkinson | Attorney and activist |
| 13 August | Making South Africa's agricultural sector thrive | Wandile Sihlobo | Economist |
| 27 August | International power, hard and soft – and how to use it | Terence Corrigan | IRR project manager |
| 10 September | Germany – the new sick man in Europe | Wolfgang Drechsler | Journalist |
| 17 September | The need for new ideas in the trade department: Why it matters | Mlondi Mdluli | Member of Parliament |
| 8 October | The Moss gas Misstep - is the ANC blowing our chance at oil and gas riches? | James Lorimer | Member of Parliament |
| 15 October | The current state of sewage treatment facilities in South Africa | Bill Alexander | Civil Engineer |
| 22 October | His upcoming book | Hermann Pretorius | IRR Staff |
| 5 November | Namibia's electoral landscape and the impact of Namibia's new oil and gas finds on the country | Rowland Brown | Co-founder Cirrus Capital |
| 12 November | Aftermath of the US election: Donald Trump's victory | Kevin Colglazier | Global banker (ret.) |
| 26 November | SCA judgement on holding municipal officials liable for wasteful expenditure | Daniël Eloff | Attorney |
| 3 December | Normalisation of Jew-hatred | Elisa Galgut | Associate Professor at UCT |

Free Speech Union SA (FSU SA)



Objective: The Free Speech Union promotes freedom of speech and opinion, and stands up for anyone who is, or risks being, penalised for exercising these rights whether in the workplace or the public square.

Website postings for the period under review:

| | |
|-----------------|----|
| Articles: | 11 |
| Press releases: | 5 |
| Podcasts: | 6 |
| Webinars: | 1 |

All the articles, press releases and videos posted on the FSU website were also placed on Facebook, Twitter and LinkedIn.

FSU podcast series – “Free Speech Matters” was launched in May. Five episodes were uploaded to the IRR’s YouTube page. They were:

Ep. 1-6 May – “The Landscape is Darkening” – A Review of Freedom of Expression in South Africa

Ep. 2-14 June – “The Hate Speech Act” - criminal convictions for saying the “wrong” thing & more

Ep. 3-5 July – “Lawfare” - the powerful prosecuting the powerless for criminal hate speech

Ep. 4-8 August – “Why classical liberals now represent UCT’s alumni on Council”

Ep. 5-2 December – “Cancelled by a poetry group for being a Zionist”

The series was advertised on the Sunday edition of the *Daily Friend* e-mail shot and will be expanded to the daily e-mail shot in due course.

Other events:

BizNews interview – 2 September – Alec Hogg interviewed FSU director Sara Gon on [“How to cool SA’s heat generated by freedom of speech \(especially on social media\)”](#)

IRR’s 45th Hoernlé Lecture – 29 October (Presented in association with the FSU SA) by Adv. Mark Oppenheimer on [“Should hate speech be against the law?”](#)

The Daily Friend Show Special – 11 December – Sara Gon interviewed Simon Lincoln Reader on “Britain – subduing free speech”

Facebook statistics from 1 January to 31 December 2024:

| Facebook statistics | |
|---------------------------------------|---------|
| Reach | 552 270 |
| Impressions | 415 284 |
| Post engagements | 310 016 |
| Video plays | 891 351 |
| Video views at least 25% of the video | 19 933 |
| Post shares | 1 237 |
| Post reactions | 28 871 |

Initiatives:

Q1: FSU SA submitted a petition to the President against signing the Prevention and Combating of Hate Crimes and Hate Speech Bill. Our opposition was based on its unconstitutionality – it narrowed free speech and hate speech should not be criminalised.

Q3: FSU SA joined fraternal organisations across the English-speaking world in establishing the International Association of Free Speech Unions (IAFSU).

Sara Gon attended meetings in Australia from 8 to 10 July with representatives of the Free Speech Unions of the UK, Australia and New Zealand. The IAFSU was to be joined in due course by an FSU in Canada and Switzerland. IAFSU would assist FSUs to:

- Defend the right to free speech
- Set up and run FSUs in accordance with FSU principles and experience
- Over time offer resources to help sustain all the FSUs

Q4: Sara Gon was invited to address and then judge a competition for speech and poetry by the Debating Club of Ennerdale Senior Secondary School. The presentations were generally impressive both as to content and delivery. Ms Gon intended using this experience to create and launch a debating competition for high schools in 2025 with the assistance of Ennerdale.

Pledge to Vote



Objective: Stem the decline in voter turnout and raise awareness of the 2024 national elections.

The Pledge to Vote campaign, which came to an end on election day, 29 May, aimed to stem the decline in voter turnout and raise 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.

Pledge to Vote had three social media channels: Facebook, X (formerly Twitter), and Instagram, the latter of which was started on 29 February 2024. Regular content was posted on each platform and in March a full content plan was developed to increase our social media presence leading up to the elections, which began implementation in April and ended on 29 May.

Most of the campaign budget went towards Facebook ads, which were used as the main campaign lead generator. Pledge to Vote targeted all eligible voters (South Africans over the age of 18) but a dedicated portion of funds went specifically to targeting the youth, aged 18-35.

The goals of the campaign evolved as advertising strategies and budgets changed. The most recent goal of 60,000 signatories by the time of elections was not met, but the campaign’s lifetime impact was nevertheless significant. Of the 54,190 total signatories, over 6,000 checked their registration status through the campaign. Pledge to Vote Facebook ads were viewed over 8 million times and reached over 1.2 million South Africans.

Big Daddy Liberty



The *Big Daddy Liberty* channel on YouTube was created by Sihle Ngobese in June 2018 and primarily addressed conservative-leaning liberals. Since November 2020, the IRR cooperated with and supported BDL under a service agreement. The cooperation came to an end in September 2024, when Mr Ngobese joined the Department of Agriculture under Minister John Steenhuisen. In 2024 BDL registered 542,676 views across YouTube and Facebook and had 122,508 subscribers. The following table provides an overview of some of the key BDL metrics.

| Big Daddy Liberty metrics | | | | | |
|---------------------------|-------------------------|--------------|----------------|--------------|----------------|
| Platform | Metric | Jan-Sep 2023 | At 30 Sep 2023 | Jan-Sep 2024 | At 30 Sep 2024 |
| YouTube | Number of videos posted | 158 | – | 87 | – |
| | Number of views | 828 694 | – | 278 104 | – |
| | Channel subscribers | – | 43 251 | – | 45 908 |
| Facebook | Number of videos posted | 128 | – | 72 | – |
| | Number of views | 535 849 | – | 264 572 | – |
| | Page likes | – | 78 043 | – | 76 600 |

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 Centre for Risk Analysis (CRA) helps business and government leaders plan for a future South Africa and identify policies that will create a more prosperous society. It provides its clients with strategic intelligence and scenario planning services to help them navigate South Africa’s economic, social, policy and political landscape, using in-person briefings, reports, videos and podcasts to provide in-depth analysis on domestic and international trends.

The CRA enjoyed a productive and impactful 2024. In the context of seminal national and provincial elections, which saw the ANC receive less than 50% of the vote share for the first time in a national election, CRA clients and media contacts requested regular formal and informal briefing sessions and discussions to better understand the implications of the formation of the GNU.

The CRA's 2024 flagship briefing, Critical Mass, was developed and rolled out to clients in short order following the election results. The briefing detailed the election outcome, the reasons behind the decision of parties such as the ANC, DA, and IFP to form the GNU, the implications for the economy and business planning, the major risks to the enterprise, and the High Road and Low Road scenarios. The briefing was presented to clients and audiences across business sectors, and various embassies and foreign business chambers. In 2024, the CRA also appeared 59 times on radio shows or podcasts, 41 times on television or third-party YouTube channels, published 37 opinion pieces and 23 letters, and was cited or interviewed 81 times in the media.

On the research output front, the CRA produced 15 client notes, a new record. Topics covered included water supply constraints in Gauteng, political instability in West African countries, the implications for South Africa's relationship with the United States should Donald Trump be re-elected (a scenario that has materialised), and the uMkhonto weSizwe Party's prospects following the elections.

The 2025 edition of the CRA's flagship research product, the *Socio-Economic Survey of South Africa*, was produced by numerous CRA and IRR staff members, and shepherded by Head of Research, Thuthukani Ndebele.

The CRA's client query service continued to be one of our most popular services. The query service, led by Head of Information, Tamara Dimant, provides clients with reliable data and analysis within a 24-hour turnaround period. From 1 January to 31 December 2024, the CRA team answered 186 client queries. One of the clients, the Western Cape provincial government, praised the query service and said it put the CRA "miles ahead" of its competitors.

The CRA enjoyed a remarkable year in terms of media coverage, with 100 TV, radio, and print interviews granted. Platforms that featured CRA analysts included: Kyknet's In Gesprek met Lourensa Eckard, eNCA, CGTN Africa, Pretoria FM, Talk Radio 702/Cape Talk's The Money Show, and SAFm.

During 2024, 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 2024.



Fast Stats January 2024

Key takeaways:

- The **Leading Business Indicator** in November 2023 was down 0.4%, compared to November 2022.
- The **headline inflation** rate in December 2023 was 5.1%, compared to 7.2% in December 2022.
- The average **gold price** per ounce in 2023 was \$1,943.
- The average **crude oil price** (Brent/barrel) in 2023 was \$82.55.
- South Africa recorded a **merchandise trade** surplus of R61 billion in 2023.



Fast Stats February 2024

Key takeaways:

- The **Sacci Business Confidence Index** in January was up 0.2 points, compared to December 2023.
- The growth in **money supply** in January was 6.58%, compared to 9.59% in January 2023.
- The average **platinum price** per ounce in February was \$891.
- The average **crude oil price** (Brent/barrel) in February was \$83.18.
- Total **vehicles sold** were down 1.7% for January-February, compared to January-February 2023.



Fast Stats March 2024

Key takeaways:

- The **RMB/BER Business Confidence Index** for Q1 was down 1 point, compared to Q4 2023.
- The average **crude oil price** (Brent/barrel) in February was \$83.18.
- South Africa recorded a **merchandise trade surplus** of R4.4 billion for January-February.
- Total **vehicles sold** were down 5.3% for January-March, compared to January-March 2023.
- The volume of **mining production** in January was up 2.6%, compared to January 2023.



Fast Stats April 2024

Key takeaways:

- The **RMB/BER Business Confidence Index** in Q1 was down 1 point, compared to Q4 2023.
- The growth in **money supply** in March was 6.85%, compared to 8.91% in March 2023.
- The **headline inflation** rate in March was 5.3%, compared to 7.1% in March 2023.
- Equities **net purchases/sales** by foreigners for January-April reached -R43.4 billion.
- The average **gold price** per in March was \$2,058.



Fast Stats May 2024

Key takeaways:

- The **Leading Business Indicator** in March was down 1.9%, compared to March 2023.
- The **headline inflation** rate April was 5.2%, compared to 6.8% in April 2023.
- The average **platinum price** per ounce in April was \$942.
- The average **crude oil price** (Brent/barrel) in April was \$89.85.
- South Africa recorded a **merchandise trade surplus** of R26.6 billion for January-April.



Fast Stats June 2024

Key takeaways:

- The **Sacci Business Confidence Index** in May was down 1.1 points, compared to April.
- The growth in **money supply** in May was 4.72%, compared to 10.32% in May 2023.
- The average **gold price** per ounce in May was \$2,351.
- The average **crude oil price** (Brent/barrel) in May was \$81.67.
- Total **vehicles sold** were down 7.4% for January-June, compared to January-June 2023.



Fast Stats July 2024

Key takeaways:

- The **Leading Business Indicator** in May was down 1.1%, compared to May 2023.
- The average **platinum price** per ounce was \$981 in June.
- The average **crude oil price** (Brent/barrel) in June was \$82.30.
- South Africa recorded a **merchandise trade** surplus of R68.4 billion for January-June.
- Total **vehicles sold** were down 6.3% for January-July, compared to January-July 2023.



Fast Stats August 2024

Key takeaways:

- The **headline inflation** rate in July was 4.6%, compared to 4.7% in July 2023.
- **Equities net purchases/sales by foreigners** for January-July reached -R84.0 billion.
- The average **crude oil price** (Brent/barrel) in July was \$85.24.
- **Vehicles exported** were down 13.5% for January-July, compared to January-July 2023.
- The volume of **mining production** was up 0.3% for January-June, compared to January-June 2023.



Fast Stats September 2024

Key takeaways:

- The **headline inflation** rate in August was 4.4%, compared to 4.8% in August 2023.
- **Equities net purchases/sales by foreigners** for January-September reached -R93.5 billion.
- The average **crude oil price** (Brent/barrel) in August was \$80.30.
- **Vehicles exported** were down 19.7% for January-September, compared to January-September 2023.
- The volume of **mining production** was up 0.2% for January-July, compared to January-July 2023.



Fast Stats October 2024

Key takeaways:

- The **Sacchi Business Confidence Index** in September was down 1.3 points, compared to August.
- The average **gold price** per ounce in September was \$2,561.
- The average **crude oil price** (Brent/barrel) in September was \$74.19.
- South Africa recorded a **merchandise trade** surplus of R100.4 billion for January-September.
- **Vehicles exported** were down 19.7% for January-September, compared to January-September 2023.



Fast Stats November 2024

Key takeaways:

- The growth in **money supply** in October was 7.79%, compared to 6.09% in October 2023.
- **Equities net purchases/sales by foreigners** for January-November reached -R122.7 billion.
- The average **platinum price** per ounce in October was \$1,001.
- South Africa recorded a **merchandise trade** surplus of R145.5 billion for January-October.
- Total **vehicles sold** were down 3.5% for January-November, compared to January-November 2023.



Fast Stats December 2024

Key takeaways:

- The **Leading Business Indicator** in October was up 1.1%, compared to October 2023.
- The **RMB/BER Business Confidence Index** in Q4 was up 7 points, compared to Q3.
- The **headline inflation** rate in November was 2.9%, compared to 5.5% in 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.

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 2024.



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.



Not enough pie to go around (February)

This edition unpacked the 2024/25 National Budget and identified the long-term risks to South Africa's public finances.



SA Education and the 4IR Illusion (March)

This edition looked at South Africa's education system, and how the South African school environment fell short of preparing pupils for an increasingly tech-driven world.



Voters' choice, uncertain future (April)

This edition examined South Africa's political landscape and the prevailing trends ahead of the 29 May national and provincial elections.



South Africa's next transition (May)

This edition provided an overview of South Africa's 2024 national and provincial election results — as well as the historical trends — to demonstrate the country's shifting political landscape.



A value-for-money public sector? (June)

This edition looked at the role of South Africa's public service, government-sector employment trends, and the public sector wage bill.



Growth begins at home (July)

This edition reviewed the state of municipalities in South Africa, notably their financial collapse, declining service delivery, and the political and economic implications of local government failures.



Demographics without dividends (August)

This edition provided an overview of demographic trends in South Africa, highlighting the challenges faced by young people in particular.



Investment: Not enough eggs in SA's basket (September)

This edition presented trends in foreign investment in South Africa and South African investment offshore, noting the decline in investor confidence.



A stitch in time saves nine (October)

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



Moving people from welfare to work (November)

This edition provided an overview of South Africa's welfare system, including social grant numbers and recipients, as well as welfare financing and distribution.

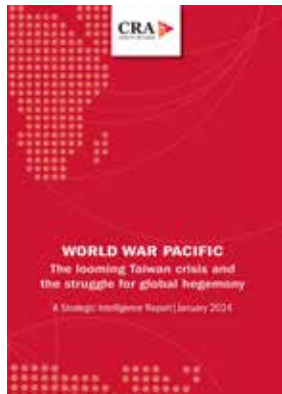


South Africa in Brief (December)

This edition looked at South Africa across a range of political, economic, and social indicators, tracking the country's successes and failures since the dawn of democracy.

Strategic Intelligence Report

These reports analyse the macro socio-political and economic environment of South Africa. Also featured are analyses of global events and their impact on the country, as well as the CRA's scenario planning methodology, which demonstrates how the future of the country may evolve over time.



World War Pacific (January)

This edition examined the likelihood of a military conflict between China and the United States — over Taiwan — and the risks to the global economy.



A new political landscape (April)

This edition unpacked South Africa's changing political landscape in the run up to the 2024 general election, highlighting the eroding support for the ANC and overall voter apathy.



Perfecting the own goal: South Africa's trade infrastructure and policy space in 2024 (April)

This edition assessed the state of rail, port, and electricity infrastructure, trade policy and legislation, crime and law enforcement issues, and South Africa's lack of economic complexity.



Decoding India (May)

This edition served as a basic introduction to the structure of India's government, scheduled tribes and castes, the judiciary and media, as well as the country's electoral history and political situation.



The 2024 US election (October)

This edition looked at the impending US presidential election, focusing on core issues driving it, the candidates and their policies, polling and the likelihood of instability in the aftermath.

Risk Alert

Every Monday morning, the CRA discusses the key events and trends in South Africa and the world. In no more than two pages (and under ten minutes of audio) we provide weekly cutting-edge strategic intelligence for CRA clients. Fifty editions of the Risk Alerts were published in 2024.

Client Note

These notes, usually between two and three pages long, are published on an ad-hoc basis, focusing on a single topic (e.g., healthcare, emerging markets, property rights, by-elections). Fifteen Client Notes were published in 2024.

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) provides primary data on the economy, government finances, living standards, healthcare, crime, education, and demographics. The 2025 edition was published in March 2025, running to over 700 pages of tables and graphics. 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 Head Office

Group media presence 1 January to 31 December 2024 – selected stats

| Activity | 2023 | 2024 |
|---|---------|---------|
| Opinion pieces | 1 114 | 1 183 |
| Citations | 309 | 517 |
| Interviews | 248 | 412 |
| Press releases | 66 | 113 |
| Video/audio clips (adding CRA) | 608 | 587 |
| Social media posts (TDF, IRR only) | 5 043 | 4 989 |
| IRR X followers | 34 000 | 34 200 |
| IRR Facebook likes | 106 500 | 133 956 |
| <i>Daily Friend</i> X followers | 4 344 | 4 854 |
| <i>Daily Friend</i> Facebook net likes | 67 567 | 66 738 |
| <i>Daily Friend</i> Instagram net likes | 1 005 | 1 004 |
| <i>Daily Friend</i> website – unique visitors | 672 368 | 938 590 |
| <i>Daily Friend</i> site articles read | 3.3m | 3.5m |
| <i>Daily Friend</i> e-mail newsletter subscribers | 66 230 | 75 680 |

Reports released 1 January to 31 December 2024

- IRR publications: *FreeFacts* 12
Policy submissions 8
Papers (occasional incl. SAS) 28 48
- CRA publications: *Fast Stats* 11
Macro Review 12
Strategic Intelligence Report 5
Socio-Economic Survey 1
S-E Survey Chapters 5 34
- **Total reports and publications:** 82 (71 December 2023)

Group events 1 January to 31 December 2024

- 91 formal briefings IRR and CRA combined (115 in 2023)
- 386 meetings with policy makers and influencers (365 in 2023)
- Total: 477 meetings and briefings (480 in 2023)

Governance and compliance

- The 2024 formal meeting of the Council was held online on 6 June 2024 and the informal part was held in person on 8 June 2024, at the Country Club Johannesburg.
- The 2024 annual general meeting of voting members was held online on 10 June 2024.

Death of Honorary Legal Adviser

It is with great sadness that we report the death of Derek Bostock on 14 January 2025. He served as the IRR's Honorary Legal Adviser from 2005 until his resignation in 2015. He was

Chairman of the Social and Ethics Committee from 2012 to 2015, and also served on the Audit Committee during that period. He resigned from all roles in 2015. We published a tribute to Derek Bostock on the *Daily Friend*: <https://dailyfriend.co.za>

Death of Council and Board Member

It is with great sadness that we report the death of Roger Crawford on 19 March 2025. He was a member of the IRR since 1984 and served in numerous leadership roles over many years. He served on the Council as a Corporate Representative from 1991/1992, and was a member of the Executive Committee, later the Board, from the same period. He was a member of the Finance Committee from 1995/1996 until 2006. He served as Vice Chairman of the Board in 2002 and 2003. From 2005/2006, he served on the new Remuneration Committee, becoming its Chairman from 2010. He was appointed Vice President of the Council from 2016. He served as Chairman of the Board from August 2019 until August 2024, and thereafter as Vice Chairman. We published a tribute to Roger Crawford on the *Daily Friend*: <https://dailyfriend.co.za>

Elections

Council elections: Council elections were held between January and April 2024. Russell Lamberti, who was President from 2020 to 2024, did not stand for re-election. Of the six candidates nominated for the office of President, three accepted their nominations, and Adv Mark Oppenheimer received the most votes and was duly elected President of Council.

New Board and election of Board Chairman and Vice Chairman: At the Council meeting on 6 June 2024, a new Board was nominated and subsequently elected at the AGM of Members on 10 June 2024. At its first ensuing meeting, the Board elected Mr Andrew Cadman as its Chairman. Mr Roger Crawford, who had decided not to stand for re-election for the position, was elected Vice Chairman.

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

Remuneration Committee: The committee continued with the current serving members, Mr Roger Crawford, Mr Andrew Cadman and Mr Akshar Patel.

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 Majozi.

Finance and administration

Finance

2024 ended on an operating loss of R6.2m against a budgeted operating loss of R4.9m, even after securing an unanticipated R5m project that increased revenue to R24.8m vs R22.4m the previous year but which incurred unanticipated project-related costs of R3.4m. Crowdfunding currently represents only 29% of total funding vs 40% in the previous year. It is a source of income that will be given a great deal of attention in 2025. We plan to build up the crowdfunding contribution using internal resources rather than relying on external service providers.

Income from the CRA has been declining over the last 3 years, but we anticipate an upturn in sales in 2025 thanks to internal restructuring, with the executive director of the CRA, Chris Hattingh, increasing his involvement in the sales function.

The financial statements for 2024 which follow in the financial part of this annual report show that the IRR secured revenue from projects, donors, and sales of R24,787,709, an increase of 10.5% over the R22,431,104 recorded in 2023. Operating expenses increased by 14%, from R27,126,297 in 2023 to R30,962,063 in 2024. However, both the revenue and expenditure figures were inflated by an unanticipated project that distorts comparisons

between 2023 and 2024. Excluding that project, costs continued to be well contained and were in line with those of the previous year.

The operating loss of R6,306,041 was reduced by an unrealised gain on investments of R2,316,143, thanks to which the IRR ended the year with a loss of R3,989,598.

Appointment of auditors:

The AGM of Members re-appointed the audit firm PKF (VGA) Chartered Accountants for the 2024 audit on 10 June 2024, on recommendation of the Audit Committee.

Staff

During 2024, two persons joined the IRR staff and two left. We ended three contracts and added one intern, while one intern was converted to contract. At the end of 2024 we counted 25 staff, five people on contract, and one intern. We counted a total of 31 personnel (permanent staff, people on contract and interns) at the end of 2024, as well as nine contributors throughout the year.

Sihle Ngobese's service agreement ended at the end of September when he joined the Department of Agriculture. Gabriel Crouse's was extended to 30 April 2025, and Sherwin van Blerk's to 28 February 2025. They are included in the contract number above.

Thanks

South Africans from all walks of life care deeply about the country's future. They share the IRR's desire to make South Africa free and prosperous: a beacon of individual liberty where everyone has the freedom and the opportunity to shape their own lives. Their help allows us to be successful, and we are grateful to all the individuals and organisations that support our work. I would also like to express my particular appreciation for my colleagues, whose hard work, courage and dedication is a daily inspiration, as well as to our voting members, Council, and Board, for their support and encouragement.

Johannesburg

May 2025



J P Endres

PRESIDENTS OF THE INSTITUTE 1930-2024

| | |
|--------------|------------------------------------|
| 1930-1931 | Charles Templeman Loram |
| 1931-1933 | Edgar Harry Brookes |
| 1933-1943 | Rheinhold Frederick Alfred Hoernlé |
| 1943-1945 | Maurice Webb |
| 1945-1948 | Edgar Harry Brookes |
| 1948-1950 | Agnes Winifred Hoernlé |
| 1950-1953 | John David Rheinallt Jones |
| 1953-1955 | Ellen Hellmann |
| 1955-1957 | Leo Marquard |
| 1957-1958 | Johannes Reyneke |
| 1958-1960 | Donald Molteno |
| 1960-1961 | Edgar Harry Brookes |
| 1961-1963 | Oliver Deneys Schreiner |
| 1963-1965 | Denis Hurley |
| 1965-1967 | E G Malherbe |
| 1967-1968 | Leo Marquard |
| 1968-1969 | I D MacCrone |
| 1969-1971 | Sheila van der Horst |
| 1971-1972 | William Nkomo and Duchesne Grice |
| 1972-1973 | Duchesne Grice |
| 1973-1975 | Bernard Friedman |
| 1975-1977 | Ezekiel Mahabane |
| 1977-1979 | John Dugard |
| 1979-1980 | René de Villiers |
| 1980-1983 | Franz Auerbach |
| 1983-1985 | Lawrence Schlemmer |
| 1985-1987 | Stuart Saunders |
| 1987-1989 | Stanley Mogoba |
| 1989-1992 | Helen Suzman |
| 1992-1995* | W D (Bill) Wilson |
| 1995-1997* | Hermann Giliomee |
| 1997-2003* | Themba Sono |
| 2003-2007 | Elwyn Jenkins |
| 2007-2009 | Sipho Seepe |
| 2009-2019 | Jonathan Jansen |
| 2020-2024 | Russell Lamberti |
| 2024-present | Mark Oppenheimer |

* There was a one-year discrepancy in previously published lists which has now been corrected.

CHIEF EXECUTIVES OF THE INSTITUTE¹:

John David Rheinallt Jones: 1930-1947

Quintin Alexander Whyte: 1947-1970

Frederick Johannes van Wyk: 1970-1979

John Charles Rees: 1979-1983

John Kane-Berman: 1983-2014

Frans Cronje: 2014-2021

John Endres: 2021-present

¹ The title associated with this function varied over time and included director, executive director, and chief executive officer.

SOUTH AFRICAN INSTITUTE OF RACE RELATIONS NPC

ANNUAL FINANCIAL STATEMENTS for the year ended 31st December 2024

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

CONTENTS

| | Page |
|--|-------|
| Company information | 53 |
| Corporate governance | 54 |
| Directors' responsibilities and approval | 55 |
| Certificate by the company secretary | 56 |
| Directors' report | 56-57 |
| Independent auditor's report | 58-59 |
| Statement of financial position | 60 |
| Statement of comprehensive income | 61 |
| Statement of changes in equity | 62 |
| Statement of cash flows | 62 |
| Notes to the annual financial statements | 63-72 |

The annual financial statements set out on pages **60-72** 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 2024**

COMPANY INFORMATION

| | | |
|---|--|-----------------|
| Country of incorporation | South Africa | |
| Registration numbers: | | |
| Company registration number | 1937/010068/08 | |
| Non-Profit registration number | 000-709-NPO | |
| Public Benefit Organisation number | 930006115 | |
| Nature of business | Research | |
| Postal address | 222 Smit Street Braamfontein 2001 Johannesburg | |
| Registered address | 222 Smit Street Braamfontein 2001 Johannesburg (Virtual Office) | |
| Auditors | PKF (VGA) Incorporated Chartered Accountants (SA) Registered Auditors | |
| Bankers | First National Bank | |
| Council Office Bearers | M Oppenheimer – Elected President 10/4/2024 R Lamberti – Past President R D Crawford Vice President – Deceased 19/3/2025 P Leon Vice President P Majozi Vice President T Nolutshungu Vice President | |
| Non-Executive Directors | A Cadman Chairman – Appointed 12/8/2024 R D Crawford Chairman – Retired 12/8/2024 R D Crawford Vice Chairman – Appointed 12/8/2024 – Deceased 19/3/2025 A Patel Audit Committee Chairman P Leon Honorary Legal Adviser W C Bishop J W D Brand – Appointed 10/6/2024 R F Brown – Appointed 10/6/2024 J A Elgie P Majozi | |
| Executive Director | J P Endres | Chief Executive |
| Company Secretary | R D le Roux <i>Business address:</i> 222 Smit Street Braamfontein 2001 Johannesburg | |
| | <i>Postal address:</i> 222 Smit Street Braamfontein 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 57 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 3 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 2025 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 58-59.

The annual financial statements set out on pages 60-72, which have been prepared on a going concern basis, as well as the Directors' report presented on pages 56 and 57, 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 2024 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 2024.

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 2024.

Directors

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

Non-Executive Directors

| | |
|--------------|---|
| A Cadman | Chairman – Appointed 12/8/2024 |
| R D Crawford | Chairman – Retired 12/8/2024 |
| R D Crawford | Vice Chairman – Appointed 12/8/2024 – Deceased 19/3/2025 |
| A Patel | Audit Committee Chairman |
| P Leon | Honorary Legal Adviser |
| W C Bishop | |
| J W D Brand | – Appointed 10/6/2024 |
| R F Brown | – Appointed 10/6/2024 |
| J A Elgie | |
| P Majozi | |

Executive Director

| | |
|------------|-----------------|
| 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) Incorporated Chartered Accountants (SA) as auditors and Lindi Penning as the designated director for the 2024 financial year;
- Satisfied itself that the auditors are independent;
- Approved the annual financial statements of the Institute for 2024, 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 Members of South African Institute of Race Relations NPC****Opinion**

We have audited the financial statements of South African Institute of Race Relations NPC set out on pages 60 to 72, which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of South African Institute of Race Relations NPC as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium sized Entities and the requirements of the Companies Act of South Africa 71 of 2008.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 Financial Statements for the year ended 31 December 2024", which includes the Directors' Report, and the statement of Directors' Responsibilities and Approval as required by the Companies Act of South Africa 71 of 2008, which we obtained prior to the date of this report, and the supplementary information set out on pages 1 to 52. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

Directors: HC Nieuwoudt CA(SA) IRBA no. 507160 | V Kathan(CA)SA IRBA no.033255 | L Penning (CA) SA IRBA no.131425
S Bensch (CA)SA IRBA no.411734

PKF VGA Incorporated is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms. PKF in South Africa practices as separate incorporated entities in Gauteng, KwaZulu-Natal, Eastern Cape, Free State and Western Cape.

Independent Auditor's Report

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs 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 financial statements.

As part of an audit in accordance with ISAs, 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 directors.
- Conclude on the appropriateness of the directors' 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 (VGA) Chartered Accountants

Director: Lindi Penning CA(SA)

Registered Auditor

Alberton

15 May 2025

STATEMENT OF FINANCIAL POSITION

as at 31st December 2024

| | Notes | 2024 R | 2023 R |
|------------------------------------|-------|-------------------|-------------------|
| ASSETS | | | |
| Non current assets | | | |
| Plant and equipment | 2 | 693 182 | 711 616 |
| Intangible assets | 3 | 717 946 | 926 574 |
| | | 1 411 128 | 1 638 190 |
| Investments | | | |
| Special Funds | | | |
| Other Institute investments | 18.2 | 15 541 272 | 18 494 943 |
| | | 15 541 272 | 18 494 943 |
| Current Assets | | | |
| Trade and other receivables | 5 | 514 997 | 2 012 662 |
| Cash resources | 6 | 1 554 149 | 1 020 328 |
| | | 2 069 146 | 3 032 990 |
| TOTAL ASSETS | | 19 021 546 | 23 166 123 |
| FUNDS AND LIABILITIES | | | |
| Funds and reserves | | | |
| Accumulated funds | | 8 075 046 | 12 245 616 |
| | | 8 075 046 | 12 245 616 |
| Non current liabilities | | | |
| Bursary funds | 7.1 | 7 482 741 | 7 482 741 |
| | | 7 482 741 | 7 482 741 |
| Current liabilities | | | |
| Income received in advance | | 1 648 816 | 1 749 390 |
| Trade and other payables | 7 | 1 814 943 | 1 688 376 |
| | | 3 463 759 | 3 437 766 |
| TOTAL FUNDS AND LIABILITIES | | 19 021 546 | 23 166 123 |

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31st December 2024

| | Notes | 2024 R | 2023 R |
|--|-------|--------------------|--------------------|
| INCOME | | | |
| Grants and donations | | 20 638 673 | 17 965 784 |
| Subscriptions | | 4 131 615 | 4 387 314 |
| Publication sales | | 17 422 | 78 006 |
| | | 24 787 710 | 22 431 104 |
| EXPENSES | | | |
| Amortisation | 3 | 577 722 | 613 466 |
| Auditors' remuneration | | | |
| – Fees for the audit | 9 | 150 000 | 383 700 |
| Bad debts (recovered)/provided | | 18 615 | 41 722 |
| Outsourced contributors | | 8 507 406 | 5 177 596 |
| Depreciation | 2 | 160 466 | 178 202 |
| Finance costs | 8 | – | 539 |
| Legal costs | | 9 256 | 40 000 |
| Loss on disposal of assets | | 26 003 | 2 459 |
| Overheads and administration | | 1 400 345 | 1 792 065 |
| Personnel | | 18 506 826 | 17 565 483 |
| Postage | | 23 468 | 22 686 |
| Printing | | 29 950 | 38 840 |
| Rent and utilities | | 140 286 | 152 351 |
| Telecommunications and social media | | 792 294 | 738 564 |
| Travel | | 751 114 | 378 624 |
| | | 31 093 751 | 26 535 359 |
| OPERATING DEFICIT FOR THE YEAR | | (6 306 041) | (4 695 193) |
| INCOME FROM INVESTMENTS | | | |
| Realised (gain/loss) on disposal of investments | | – | 753 767 |
| Unrealised (gain/loss) on investments | | 2 089 326 | 2 736 770 |
| Interest received | | 226 817 | 278 907 |
| | | 2 316 143 | 3 769 444 |
| DEFICIT FOR THE YEAR | | (3 989 898) | (925 749) |
| Other comprehensive income | | – | – |
| DEFICIT FOR THE YEAR AFTER OTHER COMPREHENSIVE INCOME | | (3 989 898) | (925 749) |

STATEMENT OF CHANGES IN EQUITY

for the year ended 31st December 2024

| | Accumulated funds R |
|---|------------------------------------|
| Balance at 1st January 2023 | 13 171 365 |
| Deficit for the year | (925 749) |
| Previously shown balance at 31st December 2023 | 12 245 616 |
| Revenue adjustment year end 2023 | (180 672) |
| Balance at 31st December 2023 | 12 064 944 |
| Balance at 1st January 2024 | 12 064 944 |
| Deficit for the year | (3 989 898) |
| Balance at 31st December 2024 | 8 075 046 |

STATEMENT OF CASH FLOWS

for the year ended 31st December 2024

| | 2024 R | 2023 R |
|--|--------------------|-------------------|
| Cash flows from operating activities | | |
| Deficit for the year | (3 989 898) | (925 749) |
| Adjustments: | | |
| Depreciation/Amortisation | 738 188 | 791 667 |
| Interest received | (226 817) | (278 907) |
| Fair value (gain)/loss on investment | (2 089 326) | (3 490 537) |
| (Profit)/loss on disposal of plant and equipment | 26 003 | 2 459 |
| Decrease sales prepaid | (100 574) | (4 542) |
| Finance costs | – | 539 |
| Movement in working capital | | |
| – (Increase)/decrease in trade and other receivables | 1 497 665 | (976 192) |
| – Increase in trade and other payables | (126 566) | (1 578 644) |
| Bursary adjustment | – | 7 482 740 |
| Subtotal | (4 271 325) | 1 022 834 |
| Interest received | 226 817 | 278 907 |
| Finance costs | – | (539) |
| Net cash outflow from operating activities | (4 044 508) | 1 301 202 |
| Cash flows from investing activities | | |
| Net (acquisition)/sales of shares | 5 124 619 | 734 237 |
| Acquisition of plant equipment and other intangible assets | (546 289) | (1 085 094) |
| Net cash generated/(utilised) | 4 578 330 | (350 857) |
| Net cash flow from financing activities | | |
| Payments of finance lease arrangements | – | (85 167) |
| Net cash generated/(utilised) for the year | 533 822 | 865 178 |
| Cash resources at beginning of the year | 1 020 328 | 155 150 |
| Cash resources at end of the year | 1 554 150 | 1 020 328 |

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31st December 2024

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 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 are not depreciated. Library books are stated at cost and the archives, which are housed at the University of the Witwatersrand, are carried at no cost. 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. For Bursary Funds 2023, the increase or decrease in fair value was capitalised. For 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.

Bursary Funds and Special Research Projects

Part of the funds were transferred to StudyTrust and the remainder of the funds are shown in the Institute financial statements as a liability.

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.

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 value added tax.

Interest income is recognised on an accrual basis, using the effective interest rate method. Dividends received are recognised when the right to receive payment is established.

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 Finance costs

Finance costs are recognised as an expense in the period in which they are incurred.

1.13 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.

1.14 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> |
|--------------------------------------|--|---------------------------------|----------------------|--------------------|
| Year ended 31st December 2024 | | | | |
| 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) |
| Closing net carrying amount | 207 070 | 82 112 | 404 000 | 693 182 |
| Year ended 31st December 2024 | | | | |
| Cost | 795 033 | 332 224 | 404 000 | 1 531 257 |
| Accumulated depreciation | (587 963) | (250 112) | – | (838 075) |
| Closing net carrying amount | 207 070 | 82 112 | 404 000 | 693 182 |
| Year ended 31st December 2023 | | | | |
| Opening net carrying amount | 207 834 | 202 225 | 404 000 | 814 059 |
| Additions | 162 711 | – | – | 162 711 |
| Disposals | (26 952) | (60 000) | – | (86 952) |
| Depreciation | (131 757) | (46 445) | – | (178 202) |
| Closing net carrying amount | 211 836 | 95 780 | 404 000 | 711 616 |
| Year ended 31st December 2023 | | | | |
| Cost | 865 358 | 332 224 | 404 000 | 1 601 582 |
| Accumulated depreciation | (653 522) | (236 444) | – | (889 966) |
| Closing net carrying amount | 211 836 | 95 780 | 404 000 | 711 616 |

One of the motor vehicles held under finance lease (refer to Note 8) was paid up in 2023.

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.

3. INTANGIBLE ASSETS – WEBSITE DEVELOPMENT AND COMPUTER SOFTWARE

| | | |
|---|----------------|----------------|
| Website development and computer software: | 2024 | 2023 |
| Year ended 31st December 2024 | | |
| Opening net carrying amount | 926 574 | 533 164 |
| Additions | 397 027 | 1 006 876 |
| Disposals | (27 933) | – |
| Amortisation | (577 722) | (613 466) |
| | 717 946 | 926 574 |
| Year ended 31st December 2023 | | |
| Cost | 2 187 186 | 1 974 516 |
| Accumulated depreciation | (1 469 240) | (1 047 942) |
| | 717 946 | 926 574 |

4. RELATED PARTIES

Board of Directors:

Full details of all the directors of the Institute are set out under the Report of the Directors on pages 57 and 58 of this annual report. With the exception of one executive director, whose remuneration is set out in Note 13, there have been no transactions with the executive and non-executive directors of the Institute.

NOTES (continued)

| 5. TRADE AND OTHER RECEIVABLES | 2024 R | 2023 R |
|---------------------------------------|-------------------|-------------------|
| Receivables | 290 451 | 1 641 649 |
| Prepayments | – | 81 650 |
| Receiver of Revenue – VAT | – | 44 827 |
| Staff debtors | 224 546 | 244 536 |
| | 514 997 | 2 012 662 |

| 6. CASH RESOURCES | | |
|--------------------------|------------------|------------------|
| Current account | 625 614 | 454 762 |
| Call account | 928 535 | 565 566 |
| | 1 554 149 | 1 020 328 |

| 7. TRADE AND OTHER PAYABLES | | |
|------------------------------------|------------------|------------------|
| Payables | 616 828 | 556 982 |
| Receiver of Revenue – VAT | 24 586 | – |
| Accruals | – | 71 004 |
| Accrual for leave pay | 1 173 529 | 1 060 390 |
| | 1 814 943 | 1 688 376 |

7.1. NON CURRENT LIABILITIES

Bursary fund to be cleared as income when trusts are all dissolved

| | 2024 | 2023 |
|----------------------------------|------------------|------------------|
| Amcham Fund | 1 090 436 | 1 090 436 |
| Durban Thekwini Bursary Fund | 42 782 | 42 782 |
| Giannopoulos Bequest | 576 157 | 576 157 |
| Horace Coaker Fund | 1 294 807 | 1 294 807 |
| Hungjao Bequest | 1 171 548 | 1 171 548 |
| Isaacson Foundation Bursary Fund | 856 663 | 856 663 |
| Luthuli Memorial Foundation Fund | 166 653 | 166 653 |
| Oppenheimer Memorial Fund | 360 229 | 360 229 |
| Reginald Smith Memorial Trust | 14 894 | 14 894 |
| Senior Bursary Fund | 83 989 | 83 989 |
| Shirley Simons Fund | 1 824 583 | 1 824 583 |
| | 7 482 741 | 7 482 741 |

NOTES (continued)

| 8. FINANCE COST | 2024 R | 2023 R |
|------------------------|-------------------|-------------------|
| Finance lease charges | – | 539 |
| | – | 539 |

| 9. AUDITOR'S REMUNERATION | 2024 R | 2023 R |
|----------------------------------|-------------------|-------------------|
| For audit services rendered | 150 000 | 383 700 |
| | 150 000 | 383 700 |

Audit fees paid in the 2024 financial year are for the audit of the 2023 financial year. The 2024 audit fees to PKF (VGA) Incorporated will be paid in 2025 and will reflect as such in the financial statements.

10. DIRECTORS' REMUNERATION

| The director's emoluments in connection with the affairs of the Institute was as follows: | 2024 R | 2023 R |
|---|-------------------|-------------------|
| J P Endres – Salary | 2 500 794 | 2 152 748 |
| | 2 500 794 | 2 152 748 |

10.1 PRESCRIBED OFFICERS' REMUNERATION

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

| | | |
|---------------------|------------------|------------------|
| RD Le Roux – Salary | 1 419 544 | 1 362 000 |
| | 1 419 544 | 1 362 000 |

11. TAXATION

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

NOTES (continued)

12. 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.

| | 2024 R | 2023 R |
|--|-----------|-----------|
| The total contribution to such schemes | 88 794 | 121 392 |
| Only one member contributed in 2024. | | |

13. CAPITAL EXPENDITURE

Authorised but not yet contracted for

| | 2024 R | 2023 R |
|--|-----------|-----------|
| | 1 300 000 | 700 000 |

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

OTHER INFORMATION

14. SPECIAL FUNDS

BURSARIES

INCOME

| | 2024 R | 2023 R |
|----------|-----------|-----------|
| Interest | – | 6 944 |
| | – | 6 944 |

EXPENSES

| | | |
|---|---|-----------|
| Administration fees and running costs | – | 10 000 |
| Bursaries and grants | – | 97 520 |
| Funds transferred to the Institute (See note below) | – | 7 482 741 |
| StudyTrust | – | 211 691 |
| | – | 7 801 952 |

SURPLUS DURING THE YEAR

| | | |
|--|---|-----------|
| Accumulated funds at beginning of year | – | 7 795 008 |
|--|---|-----------|

NET ACCUMULATED FUNDS

| | | |
|--|---|---|
| | – | – |
|--|---|---|

The IRR started phasing out the IRR's Bursaries programme during 2022 in accordance with the Board's decision and transferred funds to a well-established specialist bursary administrator, the StudyTrust.

The remainder of the funds will be incorporated into the Institute working capital as and when all legal requirements are determined for each fund/trust.

NOTES (continued)

15. SPECIAL FUNDS

| Bursary Fund | Capital R | Amounts held for Bursary awards R | 2024 R | 2023 R |
|----------------------------------|----------------------|--|-------------------|-------------------|
| Amcham Fund | – | – | – | 1 090 333 |
| Clive Beck Education Trust | – | – | – | – |
| Durban Thekwini Bursary Fund | – | – | – | 42 748 |
| Giannopoulos Bequest | – | – | – | 576 157 |
| Horace Coaker Fund | – | – | – | 1 294 807 |
| Hungjao Bequest | – | – | – | 1 171 502 |
| Isaacson Foundation Bursary Fund | – | – | – | 973 459 |
| Luthuli Memorial Foundation Fund | – | – | – | 165 159 |
| Oppenheimer Memorial Fund | – | – | – | 360 229 |
| Reginald Smith Memorial Trust | – | – | – | 14 762 |
| Senior Bursary Fund | – | – | – | 83 988 |
| Shirley Simons Fund | – | – | – | 2 021 865 |
| TOTAL BURSARY FUNDS | – | – | – | 7 795 008 |

16. INVESTMENTS

| | 2024 R | 2023 R |
|------------------------------------|-------------------|-------------------|
| Other Institute investments | | |
| Listed investments (Note 15) | 15 541 272 | 18 494 943 |
| | 15 541 272 | 18 494 943 |
| TOTAL INVESTMENTS | 15 541 272 | 18 494 943 |

NOTES (continued)

| 17. LISTED INVESTMENTS OF OTHER FUNDS | | Foreign Value 2024 | | | Foreign Value 2023 | | |
|--|----------|-----------------------------------|-------------|-------------------|-----------------------------------|-------------|-------------------|
| | | 2024 | 2024 | 2024 | 2023 | 2023 | 2023 |
| Foreign instrument: Societe Generale SA | Currency | Value \$ | Qty | R | Value \$ | Qty | R |
| Alphabet Inc | USD | 37 563 | 150 | 708 902 | 70 465 | 500 | 1 288 900 |
| Apple Inc | USD | 28 566 | 150 | 539 107 | 57 759 | 300 | 1 056 490 |
| Berkshire Hathaway Class 'B' | USD | 45 328 | 100 | 855 446 | 71 332 | 200 | 1 304 759 |
| ISHS Gold \$ | USD | – | – | – | 60 315 | 1 500 | 1 103 243 |
| Intel Corporation | USD | – | – | – | 47 738 | 950 | 873 183 |
| Johnson & Johnson Common stock | USD | 43 386 | 300 | 818 796 | 47 022 | 300 | 860 096 |
| JP Morgan Chase & Co. Common stock | USD | 35 957 | 150 | 678 583 | 52 731 | 310 | 964 521 |
| Microsoft Corporation | USD | 31 613 | 75 | 596 602 | 65 807 | 175 | 1 203 699 |
| Nestlé Corporation | CHF | 33 050 | 400 | 623 790 | 75 320 | 650 | 1 377 655 |
| Phillip Morris International Inc Common stock | USD | 48 140 | 400 | 908 515 | – | – | – |
| Roche Holdings AG | CHF | – | – | – | 29 055 | 100 | 531 443 |
| SPDR Gold Trust | USD | 60 533 | 250 | 1 142 390 | – | – | – |
| Unilever PLC | GDP | 34 186 | 600 | 645 071 | – | – | – |
| Cash held for foreign investments | USD | 265 913 | | 5 018 401 | 239 040 | – | 4 372 370 |
| Cash held for foreign investments | CHF | 1 | | 10 | – | – | – |
| Cash held for local investments | USD | 89 521 | | 1 637 347 | 161 304 | – | 2 950 247 |
| Bitcoin | USD | 72 821 | 0,787569 | 1 368 312 | 33 279 | 0,787569 | 608 337 |
| | | | | 15 541 272 | | | 18 494 943 |

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 2024.

The exchange rates used at the year end 2024: ZAR/US\$ 18.87; GDP 23.64; CHF 20.80.

The exchange rates used at the year end 2023: ZAR/US\$ 18.301.

18. 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.

19. 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.



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.

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