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#TRENDING Real Economy TIPS Forum APORDE

TIPS
TRADE & INDUSTRIAL POLICY STRATEGIES

Supporting policy development through research and dialogue

Newsletter

A roundup of research, projects, events and training

May 2025

Message from the Executive Director

30 MAY 2025

The past few months have seen the global trade environment thrown into turmoil by the USA. The tariff uncertainty with one of our larger trading partners has had direct and also indirect consequences on South Africa's trade with the world. Our economy continues to limp along with low GDP growth, high interest rates, low investment and the structural poverty and inequality that holds us back. The complexity in the trade environment has not helped. Many have proposed that overcoming these challenges will require South Africa ramp up its trade and investment with the rest of Africa. This has informed our theme for the TIPS forum this year: The AFCFTA, Regional Integration and Industrial Development. With over 40 papers to be presented, the forum looks to be an exciting event this year. **Registration** for the event is now open.

The year so far has seen TIPS keeping busy with our regular trackers, bulletins and industry studies. Our work on the Just Transition and sustainable development has also grown, and we were pleased to launch the Just Transition Labour Centre a few weeks ago. TIPS has also recently developed an online portal to evaluate just transition projects. Through the Just SA project we have been running training on the just transition throughout the country.

Small business provides an important entry point into the economy and job creation. Growing this sector remains a priority. Our **Bulletin on the state of Small Business** in the country highlights the lack of growth in the number of businesses, and our **policy brief on access to finance for small businesses** shows bottlenecks in the lending environment.

TIPS has been active in holding numerous dialogues, events and training. We hosted an APORDE alumni conference, several seminars on topics such as Petrochemicals in the context of South Africa's energy transition; Public employment programmes and the social economy; Rethinking Industrial Policy; and a visit to the Tshwane SEZ for our Community of Practice in Industrial Policy.

Dr Saul Levin
Executive Director: TIPS

1 MONTHS 11 DAYS 16 HOURS 58 MIN 31 SEC

The 2025 TIPS Forum is **open for registration**. The forum seeks to deepen understanding of the implications of the AfCFTA and regional integration on industrial development in Southern Africa. Through expanding trade and investment between countries on the continent, the AfCFTA, along with regional integration, opens the opportunity for strengthening industrial development on the continent. **Read more here.**

TOP NEWS

TIPS Real Economy Bulletin

The latest edition of the TIPS Real Economy Bulletin - Fourth Quarter 2024 provides a review of quarterly trends, developments and data in the real economy, together with a comprehensive analysis of the main manufacturing industries and key data in Excel format.

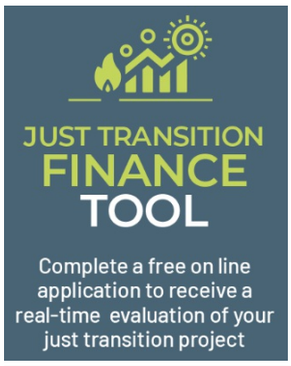
Read the latest here...

Read the previous issues here:
- The Real Economy Bulletin

REB Special Edition - **The State of Small Business in South Africa 2024**

Briefing Note 1: South Africa and the G20 Presidency

Note 2: Options for localising steel



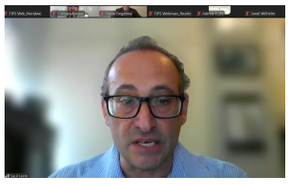
Just Transition Finance Tool

A shared understanding of what counts as a just transition project (and what doesn't) is fundamental to improving interactions between funders, financiers, project support partners, policy makers and project originators/implementers. This free just transition project certification website provides consistent, rigorous and objective project assessments against a fixed set of criteria – the first step towards a shared vision. The tool is designed to be used by everyone – from a large multi-national company to SMMEs to informal community groupings and is applicable across sectors and various lifecycles of a project.

JUST SA Training

The JUST SA team had successful training sessions in Free state, Cape Town and Eastern Cape in the first quarter of 2025.

The "Green economy: For a just transition in South Africa" training course will continue across all the provinces for government officials. The Just Transition to a Decarbonised Economy for South Africa (JUST SA) aims to support the implementation of pathways towards a just transition towards an environmentally sustainable, climate change resilient, low-carbon economy and just society.



The African Programme on Rethinking Development Economics (APORDE) virtual alumni conference

The 2nd virtual alumni conference was held on 18 March 2025 under the theme—Industrial Development in Africa—provided rich discussions on the pivotal role of industrial policy in economic growth with valuable insights from alumni's research and practical experiences.

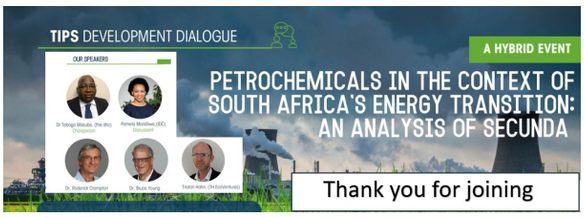
Community of Practice (CoP) site visit to the Tshwane Automotive Special Economic Zone (TASEZ)

TIPS organised an exciting Community of Practice (CoP) site visit to the Tshwane Automotive Special Economic Zone (TASEZ) on March 12! The team had engagements with TASEZ management and local companies like Automould and Feltex, exploring how effective SEZs drive growth & innovation. After 4 years of fostering dialogue around industrial policy, this visit aims to bridge the gap between theory and practice. The aim has been to create a space for government officials across various economic cluster departments to share their practices and challenges in relation to implementing industrial policy. This visit provides participants with a firsthand look at bridging the gap between policy and reality. TASEZ is Africa's first automotive city, an industrial hub that provides investors with a wide range of offerings to help their businesses flourish.

DEVELOPMENT DIALOGUES

Petrochemicals in Context of SAs Energy Transition - An Analysis of Secunda

20 FEBRUARY 2025



The TIPS Development Dialogue held on 20 February 2025 provided a chance to engage in what happens to Sasol's Secunda Coal-to Chemicals-and-Liquids facility, which is a major contributor to the domestic economy illustrates the difficulties South Africa faces in its transition to a lower-carbon future. Sasol the only domestic source of petrochemicals for a myriad of downstream industries, is heavily reliant on coal, and hence is a major greenhouse gas emitter. Increasing carbon taxes environmental pressures and potential carbon border adjustment mechanisms (CBAM), combined with declining coal and gas reserves that could affect its export markets cloud its future. This development dialogue discussed the recently released TIPS report that explores these issues, other constraints facing Sasol and policy options going forward. Presentations are also **available here.**

Read the paper and policy brief here

Public Employment Programmes and the Social Economy: Building Pathways of Support to Livelihood and SME Development

5 March 2025

At present, less than 10% of the unemployed actively looking for work are absorbed into the labour market each year. What about the 90% who will not make it? What are our strategies to support the economic inclusion of this large group of people – who are mainly young? This Development Dialogue focused on lessons – and opportunities – from the Presidential Employment Stimulus, which has supported over two million jobs and livelihood opportunities since its inception in 2020. It looked at the role such publicly funded employment programmes can play in support of complementary livelihoods, self-employment and enterprise development pathways for those marginalised from other employment opportunities in our economy - and what that means for how such programmes are designed.

Read the presentations here

RETHINKING INDUSTRIAL POLICY

19 March 2025

Domestic and global conditions have changed substantially since South Africa adopted the National Industrial Policy Framework more than 15 years ago. In response, the draft Medium Term Development Framework has pointed to important new directions for industrial policy over the coming five years. In this context, the development dialogue encouraged discussion on the implications of our changing world for industrial policy in South Africa. Inputs related to the meaning of inclusive industrialisation in the South African context; TIPS's work on beneficiation; the climate crisis and industrial policy; and localisation. The debate helped develop innovative approaches to industrial policy that are tailored to South Africa's changing realities.

Read the presentations here

South Africa's First Worker-Led Just Transition Labour Centre Officially Launched 14 May 2025

The Just Transition Labour Centre (JTLC) was officially launched to assist trade unions in leading research and policy development on climate justice and economic transformation. Hosted at TIPS, the JTLC was established in collaboration with all four major trade union federations, COSATU, FEDUSA, NACTU, and SAFTU to navigate the Just Transition.

"A just transition isn't a luxury — it's a fight for survival with justice. The Just Transition Labour Centre arms trade unions with the tools to lead that fight for workers, communities, and the planet." Zwelinzima Vavi, SAFTU's General Secretary.

UPCOMING EVENTS

Development Dialogue - Options for the future of the steel industry in South Africa - **5 June 2025**

Register to attend

LATEST ECONOMIC DATA

FDI Tracker

The FDI Tracker monitors inward foreign direct investment. **Quarter 4 2024** is available at FDI Tracker.

Previous issues: **FDI Tracker**

TIPS Import Tracker

The Import Tracker is a quarterly analysis of import trends. **Quarter 4 2024** is available at Import Tracker.

Previous issues: **Import Tracker**

Export Tracker

The Export Tracker provides updates on export trends. **Quarter 3 2024** is available at Export Tracker.

Previous issues: **Export Tracker**

TIPS Imports localisation and supply chain disruption study

TIPS Imports localisation and supply chain disruption study look at imports that South Africa could possibly viably manufacture.

Previous issues: **Imports Localisation**

Regional Industrial Tracker

The Regional Industrial Tracker assesses the economic performance of continental SADC.* The reports in this series are theme-based with specific attention to industrialisation in the region and stimulating the development of regional value chains. **January 2024** is out now.

Manufacturing Industries and Subsectors

Industrial policy aims to promote diversification and tailor interventions to the needs of individual manufacturing industries. To support evidence-based policymaking, TIPS has completed a series of notes on the main manufacturing subsectors in South Africa. **Read here.**

RESEARCH AND POLICY BRIEFS

Options for localising steel inputs for the infrastructure build programme - 2025 (TIPS)

Industry Study: **Technological change in the steel industry** - 2025 (TIPS)

How South Africa's G20 Presidency can advance climate resilience, developmental regionalism in Africa, and an equitable multilateral trading system - 2025 (Faizel Ismail)

Industry Study: **International trends in the steel industry** - 2025 (TIPS)

TIPS Working Paper: **Greening Industrial Policy in South Africa: Insights from China, the United States and the European Union January 2025** (TIPS)

Industry study: **Food processing** - 2025 (TIPS)

Industry study: **Steel and related products** - 2025 (TIPS)

Policy Brief: **Small business finance landscape and a finance gap in South Africa 2025** (TIPS)

Policy Brief: **Quantitative analysis of South Africa's imports between 1995 and 2023 - 2025** (TIPS)

Industry study: S**ustainability Report Plastics Industry -** 2025 (TIPS)

Industry study: **Sustainability Report Food Processing** - 2025 (TIPS)

TECHNOLOGICAL CHANGE AND INNOVATION SYSTEM OBSERVATORY
A TIPS INITIATIVE
AN INTEGRATED RESPONSE TO DISRUPTIVE TECHNOLOGICAL CHANGE

Disruptions in the South African steel industry

BY DR SHAWN CUNNINGHAM

In January 2025, the announcement that ArcelorMittal South Africa (AMSA) would close its long steel operations was again in the headlines. This was unsurprising, as AMSA has been making an annual loss for over six years and has unsuccessfully lobbied the government for tariff changes. The closure in March would affect the Long Steel Division units at Newcastle and Vereeniging as well as the Rail and Structural unit at Highveld Steel in Mpumalanga.

Read More...

See: T**echnological Change and Innovation System Observatory**

TIPS IN THE MEDIA

For more articles: TIPS in the News

EDITORIAL: 'Liberation Day' madness a wake-up call for SA - **Business Day** (7 April 2025)

Just Transition Labour Centre Established in South African - **Green Building Africa** (15 May 2025)

Neva Makgetla: State and corporates left small business by the wayside - **Business Live** (19 April 2025)

PODCASTS

TRAINING, WORKSHOPS and ANNOUNCEMENTS

TIPS offers a range of economic training workshops designed to build capacity in key areas of trade, industrial policy, and development economics. Our workshops are led by experienced facilitators with a wealth of knowledge and practical expertise, ensuring participants gain valuable insights grounded in real-world policy and research.For information about the TIPS training courses in 2025, contact Rozale Sewduth at **rozale@tips.org.za**.

Trade Policy & South Africa - Module 1 The WTO and the crisis of Global Governance | 29 - 30 May 2025
Prof Faizel Ismail

Economic Writing | 11 - 12 June 2025
Dr Saul Levin & Dr Neva Makgetla

Trade Policy - Module 2 The WTO and the crisis of Global Governance | 9 - 11 July 2025
Prof Faizel Ismail

Value Chains | 22 - 23 July 2025
Dr Justin Barnes

Technological Change | 24 - 25 July 2025
Dr Shawn Cunningham

Macroeconomics | 7 - 8 August 2025
Dr Seeraj Mohamed

Value Chains | 13 - 14 August 2025
Dr Justin Barnes

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TIPS is an independent, non-profit economic research institution established in 1996 to support economic policy development. TIPS undertakes quantitative and qualitative research, project management, dialogue facilitation, capacity building and knowledge sharing. Its areas of focus are industrial policy, trade and regional integration, sustainable growth, and a just transition to a sustainable inclusive economy.
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CELEBRATING 25 YEARS OF SUPPORTING POLICY DEVELOPMENT THROUGH RESEARCH AND DIALOGUE