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**THE DEBATE ON THE DEFENCE BUDGET VOTE 2026 (VOTE 23)  
IN THE NATIONAL ASSEMBLY, BY HON M.A. (ANGIE)  
MOTSHEKGA, MINISTER FOR DEFENCE AND MILITARY  
VETERANS, 20 MAY 2026, GOOD HOPE CHAMBERS,  
PARLIAMENT, CAPE TOWN**

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## 1. GREETINGS

Chairperson, Deputy Ministers of Defence and Military Veterans,

Chairpersons and Members of the Portfolio Committee on Defence and Military Veterans and the Joint Standing Committee on Defence and Honourable Members,

Newly appointed Secretary for Defence, Mr Mthimkulu, the Chief of the National Defence Force and the Acting Director-General of the DMV. Chairpersons and Executive Officers of our State-Owned Enterprises and other Distinguished Guests.

## 2. MTDP CONTEXT

Honourable Members,

It is important to remind ourselves of the core business of the defence establishment and its importance. The defence establishment is mandated by the Constitution of the Republic to defend and protect the Republic, its people, safeguard South Africa's sovereignty and constitutional order.

The Department of Defence is located in the **Medium-Term Development Plan** (MTDP) which continues to guide the focus of the 7th Administration. Budget Vote 23 is aligned with the adjusted Department of Defence Strategic Plan and the Annual Performance Plan for the 2026/27 Medium Term Expenditure Framework. The Minister of Defence is also guided by the new **Performance Agreement** with the President outlining priority commitments aligned to the MTDP outcomes.

## 3. BUDGET ALLOCATION FOR FY2026/27

Honourable Members,

The Department of Defence has received a total Budget Allocation of **57,6 billion-rand**.

This budget has been allocated to the following areas:

**37,7 billion-rand** has been set as the ceiling for the **Compensation of Employees (COE)**

- The SA Army - R2,5 billion,
- The SA Airforce - R2,7 billion,
- The SA Navy - R1,9 billion,
- The Military Health Services - R1,5 billion.
- The Logistics Division - R4,5 billion
- The Joint Operations Division - R1,5 billion.

#### **4. EAR-MARKED ALLOCATION AND TRANSFERS**

Also included in the Budget allocation of R57 billion-rand are the following ear-marked allocations and transfer payments:

- R557 million ear-marked for Border safeguarding technology and vehicles,
- R427 million ear-marked for the Air Force to maintain the fighter capability,
- R607 million ear-marked for the Navy to repair and maintain Naval platforms,
- R80 million ear-marked to provide uniforms for our military members,
- R1,5 billion transfer to ARMSCOR,
- R76 million transfer to the Military Ombud, and
- R4 million transfer to the Castle Control Board.

Furthermore, R150 million has also been allocated to the SANDF to support the upcoming local government elections in November 2026.

## 5. CHALLENGES

South Africa is a democratic state, a regional economic powerhouse and a technology hub on the continent of Africa. We are also a maritime and trading nation. We are thus affected by and must respond to, the global economic and security dynamics prevalent across the world, whilst also focussing on our own homeland security environment.

The **Cape Sea Route** as a shipping route has assumed global significance as the route to transport economic goods between nations of the world. Increasing maritime traffic along the Cape route heightens both **security and economic risks**, underscore the need for a comprehensive **national maritime security strategy**.

In addition to the Navy's primary function to safeguard maritime sovereignty, it must also **support civil authorities** in maintaining the **safety of vital maritime trade routes**. South Africa's maritime geography makes this non-negotiable. The Navy is therefore a strategic necessity of our time. To neglect our national maritime capability would risk strategic self-harm and global irrelevance.

Government has made **two policy adjustments** that reveal the pressure being placed on the force. The **first** is the withdrawal of the SANDF from **regional peace support operations**. The **second** is the broader use of the SANDF in **domestic operations** to address urgent internal security priorities, such as gang violence, illegal mining and organised crime.

Coordinated **national interventions** are disrupting criminal syndicates and illegal mining hubs through sustained visibility, targeted enforcement and deprivation of criminal resources. These arrests have directly **dislodged syndicates and illegal mining networks**. Arising from these operations are drug and contraband seizures commonly linked to organised crime.

In addition to the allocated budget, government has announced that an **amount of 823 million rand** will be made available for the SANDF to **support the SAPS** with priority internal tasks. Whilst the key function would

be to stabilise the crime levels, the teams have agreed on a government-wide approach involving other, non-security structures, mixing the hard and soft skills, helping communities and build sustainable development.

## 6. PLANS AND SOLUTIONS

### POLICY ADJUSTMENTS

Honourable Members,

At the core of the defence dilemma, lies a **fundamental and persistent misalignment between mandate, expectations, and funding**. This is a strategic national concern, requiring a structured compact between strategic intent and fiscal planning, sustained over multiple planning cycles.

Strategic work has already been undertaken within Government to **restore coherence to defence planning**. The Department completed a series of strategic documents, namely; a Defence Capstone Policy Concept, a Military Capstone, Strategizing Concept and a Long-Term Defence Capability Plan, referred to as the Journey to Greatness.

Together, these represent work to reconnect defence policy, military strategy, force design, force structure and long-term capability planning to a feasible future pathway.

An **Interim Force Concept** was developed against a defence funding level of **1.5 per cent of GDP** as the minimum funding threshold over a period of time. This point is crucial. It frames 1.5 per cent as a minimum threshold for operational viability of the force.

Consequently, a **Long-Term Force Evolution Strategy and Defence Planning Concept** has been developed, mapping the end-state, trajectory and value proposition for SANDF development over a thirty-year horizon. These were **approved by Cabinet on 06 May 2026** and must now be engaged upon through parliamentary processes.

Furthermore, we need to strengthen our partnership with the Department of Cooperative Governance and Traditional Affairs pursuant to the MoU we

have entered into regarding disaster management. This has become even more urgent given the current climate change we are experiencing.

Over the past years we have worked closely with the Department of Public Works and Infrastructure on the construction of bridges in mostly rural areas to ensure access to services such as schooling and health services to communities. These projects have been performed by our engineers in various provinces under Wel'isizwe bridges' programme.

## **SHORT & MEDIUM-TERM TRADE OFFS**

Honourable Members,

### **BORDER SAFEGUARDING**

**Porous borders** do not only compromise the territorial integrity of the state, but lays a fertile ground for the emergence of several other national security threats including **threats** to the **economic well-being** of the Republic as well as the **discord between the citizens and foreign nationals**. In this regard we remain concerned that there does not seem to be appropriate regional action about illegal migration of their nationals on to our shores. This also goes beyond the region but the continent and beyond. Such action will ensure safe and legal movement of people.

**Border** safeguarding is complex and demands a multi-pronged response. It responds to criminal value chains, cross-border syndicates, illicit flows, unauthorised movement, trafficking, logistical staging areas and the blending of local and transnational threats. The SANDF has not merely apprehended individual smugglers; it has **disrupted transnational criminal value chains, recovered stolen vehicles and contraband**, and contributed to the **denial of economic resources to organised syndicates**.

With an **intelligence-led safeguarding**, supported by sensors, radar and UAVs, allows movement away from traditional patrolling towards targeted and responsive action. These are important achievements and show that

where limited resources are intelligently applied, the **SANDF continues to generate meaningful strategic effects.**

The aging and unserviceable fleet of patrol and support vehicles constrains mobility and endurance. Thus, ongoing work to ensure that the **funds allocated for border-line vehicles and technology in previous years** result in greater mobility on the border-line.

**Infrastructure** shortfalls remain acute. We need to reinforce collaboration with our sister departments to attend to these infrastructure challenges, to improve fences, patrol roads and access routes. In addition, other departments such as COGTA, Transport and provincial administrations need to work with us to ensure a collaborative effort in the management of our borderline.

The South African Air Force provides essential support not only to the border area safeguarding, but also to disaster aid and relief, search and rescue, reconnaissance and rapid deployment. Helicopter numbers and serviceability are inadequate to sustain rapid response across domestic and national security tasks. Radar and air traffic control infrastructure also need more resourcing and upgrading.

**Dockyard** challenges have reached a critical point. Essential equipment and port infrastructure continue to deteriorate and need to be repaired or replaced.

In this regard, the SA Navy, SA Air Force and ARMSCOR are hard at work to remedy the backlogs.

Despite all these challenges, we have recorded some successes. The **SAS AMATOLA** completed a long-range deployment to India and participated in Exercise MILAN 2026. The acquisition of **three Multi-Mission Inshore Patrol Vessels** has enabled coastal patrol activity. Multilateral anti-piracy skills have been exercised and developed. The subsequent port call in Shanghai marked a notable diplomatic milestone.

We need to also state that these kinds of exercises are an integral part of furtherance of our defence diplomacy across the world, wherein we have memoranda of understanding across the globe, including multilateral bodies. In furtherance of defence diplomacy, we will be hosting the biennial African Aerospace and Defence (AAD) 2026 from 16<sup>th</sup> to 20<sup>th</sup> September 2026. The AAD is the prime exhibition which showcases South Africa's defence industries and partner nations. Of importance during this event, is the programme which brings young people from across the country to expose them to careers in the aerospace and defence environment.

## 7. HR REJUVENATION

Honourable Members,

The Department carries a personnel structure that the budget does not sufficiently fund. Numerous engagements with National Treasury have occurred to find an amicable solution to resolve the human resources funding conundrum.

The Department will this financial year facilitate the participation of a targeted eligible **SANDF Members and public service employees** in the government-wide **early retirement programme**, which allows retirement without penalties on pension benefits. The Department remains committed to finding ways to prevent the loss of **skilled personnel** and **specialist practitioners** within the SANDF. Efforts are being made to prevent loss of skills and expertise required to conduct military operations successfully.

As part of its **rejuvenation strategy**, the Department will pursue a gradual increase in the number of military skills development systems recruits within the funding limitations and budget constraints. It is envisaged that a basic military training intake will take place once per financial year. The focus of the **intake this financial year** will be to ensure continuity in **maintaining the current force level**, whilst engaging government for additional resources.

In line with the Reconstruction and Development (RDP) Act of 1996, which advocates for the establishment of a national youth service, the SANDF has been identified as a lead partner in the war on youth unemployment with other government departments and private sector, through the South African National Service Institute, SANSI. We are proud to report that an intake of 581 young people passed out after undergoing character building, fitness and discipline training at our Dunnotar military base a year ago. They are now in learnerships and we intend to have further intakes during the course of 2026.

During this year we will be strengthening this partnership with the Departments of Women, Youth and People with Disabilities (DWYP), Higher Education and Training (DHET), Labour and Employment, Small Business, to mention but a few with the full operationalisation of SANSI, which we launched in 2024 to address youth unemployment, in line with chapter three of the National Development Programme and priority two of the Medium Term Strategic Framework 2019-2026, now replaced by the MTDP.

Honourable Members,

The Department has accepted the Ministerial Priority of “**Putting the Soldier First**”. This includes ensuring soldiers are properly equipped with the uniforms, boots, protective gear, and habitable facilities catering for the needs of all, including women soldiers and persons with disabilities. This reminds us that the defence debate is not merely about platforms and defence strategy. It is equally about the **human and material foundations** without which no military institution can function.

In addition, the Department **reprioritised funds** in the **previous financial year** to support our troops in deployments, both on the borderline and operations in support of the SAPS.

Selected “**Model Units**” will receive priority upgrades ensuring safety and security, well-maintained bases, sports and recreation facilities, and

training areas. Soldiers on deployment will also get priority support for all their needs during deployment.

Furthermore, the **recovery of the South African Military Health Service** is a national security issue. A force without robust health support, a functional primary military hospital and a sustainable medical support chain is a force whose personnel resilience is degraded. Despite these challenges, our military health professionals have shown their mantle and during the 2026 Armed Forces Day, they rendered medical services to patients who had long-awaited medical procedures, especially in peripheral areas under Project OWETHU. This is a humanitarian and healthcare initiative performed critical medical operations and successfully opened eyes of many patients who had long awaited such medical procedures.

## **8. GOVERNANCE AND ACCOUNTABILITY**

Honourable Members,

The Department has received **qualified audit opinions, repeat findings, overspending** on compensation of employees, and **accumulated irregular expenditure**. These matters cannot be brushed aside. Public trust, accountability and effective administration are being addressed, including through an Audit Action Plan, Review of Governance Processes and Consequence Management.

The Secretary for Defence and Chief of the SANDF are at work to **vigorously pursue consequence management**. This must include internal disciplinary actions, criminal proceedings and the recovery of monies lost by the State.

We will continue to co-operate with the external oversight and investigative bodies, such as the Auditor-General, Public Protector, SIU, DPCI

In respect of the SA Army foundation issue, the Department has been assured by the responsible Governance bodies, especially, the SA Army and the SA Army Board of Control that;

- The Foundation remains fully operational and financially functional;
- All services, programmes, and commitments to members and beneficiaries will continue uninterrupted;
- Immediate interim management and financial oversight measures have been implemented;
- Additional internal controls and governance safeguards are being strengthened to prevent recurrence of similar incidents.

## 9. DEFENCE DIGITIZATION

The current **Legacy Defence ICT Management systems** are old and need urgent attention. The DOD is undertaking a comprehensive **Digital Transformation Journey** aligned with national imperatives and frameworks. The Development of a **DOD Enterprise ICT Architecture** is providing a holistic framework for managing the Department's technology infrastructure, applications, and data.

## 10. DEFENCE INDUSTRY REPOSITIONING & ECONOMIC GROWTH

Honourable Members,

The Defence Force needs to **strengthen strategic sovereign capabilities** through transformation, localisation, export enhancement and stronger government-industry partnerships under the **National Defence Industry Council**.

The proposed **Defence Industry Lekgotla** over the period **20 - 22 July 2026** will bring together the relevant actors to stabilise the sector, accelerate SMME integration and ensure secure local manufacturing of critical products and services for the SANDF.

A new **Defence Industry and Technology Strategy**, aims to strengthen South African strategic autonomy by developing sovereign capabilities in key domains.

## **11. ARMSCOR SOC (LTD)**

Honourable Members,

In the light of changes to the defence environment, my predecessors have tasked **ARMSCOR** to change its **value proposition to Defence**. Transformation projects are underway in ARMSCOR to address structural, cost-efficiency and soft factor issues. The validation of ARMSCOR's draft **new value proposal** will happen at the upcoming Industry Lekgotla.

## **12. DENEL**

A new Denel Board has been appointed and its leadership team will create a stable executive structure to drive the entity forward. The sustainability of Denel as South Africa's strategic sovereign defence industrial capability remains directly linked to the operational readiness and sustainment requirements of the SANDF.

## **13. MILITARY OMBUD**

The Office of the Military Ombud continues to play an important role in the civil-military relations model in the defence establishment. Its function serves as the institution of last resort within the military environment once all channels of command have been exhausted on grievance mechanisms. We take this opportunity to thank the Military Ombud, Lieutenant General Vusi Masondo, whose term of office comes to an end in October 2026. In addition, I wish to thank Advocate Simphiwe Damane-Mkhosana whose term as the Deputy Military Ombud has also come to an end. We thank them for their service. We have initiated a process to fill in these vacancies.

## **14. RESERVE FORCE COUNCIL**

The Reserve Force Council (RFC) is an advisory body for the South African National Defence Force and mandated to represent and advocate for part time reserve force soldiers. It is now fully functional with an appointed Chairperson, Deputy Chairperson and EXCO.

They are hard at work engaging the SANDF on a revitalised Defence Reserve System, in order to harness South Africa's youth vitality.

## **15. CASTLE CONTROL BOARD**

The Castle of Good Hope is a military heritage site and the country's oldest colonial building in South Africa. It is managed and run by the South African National Defence Force. This 360-year-old Castle of Good Hope in Cape Town is today a vibrant, inclusive space where people from all walks of life can engage in a journey of reflection, learning, healing, and reconciliation.

## **16. MILITARY VETERANS**

The Department of Military Veterans remains one of our most important institutions meant to fulfil and manage the needs of military veterans, especially those who sacrificed their lives for our country's freedom. Its vision and mission are to provide for a dignified and self-sufficient military veterans' community and build a better and brighter future for military veterans.

These provisions draw from the constitutional principles, particularly the Bill of Rights, which affirms human dignity, equality, social justice and the progressive realisation of socio-economic rights.

The budget allocation for the Department of Military Veterans is **912 million**.

This allocation will cater for the following:

Cost of Employees – **158 million**

Socio-economic benefits (health care; MV Pension; Housing; Compensation for injuries; education – **566 million**

Administration – **188 million**

Whilst we appreciate the allocation, we wish to indicate that there are areas of improvement which can ensure that our work is more efficient and effect and wish to highlight, as indicated in our submitted annual performance

plan, the department continues to experience the following challenges and key risks:

- Delays in the finalisation of the organisational structure of the department
- Lack of automated IT systems
- Inadequate business systems and non-integration to support the strategy of the department
- Misalignment between the organisational structure, legislation and policies to the Service Delivery Model
- Limited desk top research on services and benefits for military veterans
- Absence of a consolidated stakeholder engagement plan
- Lack of effective performance

In an attempt to mitigate some of these challenges, we have appointed the Ministerial Transversal Task Team led by Ambassador Mseleku. The department continues to be under the leadership of the Acting Director General Mafu and together with the team led by Ambassador Mseleku, continuously dealing with the afore-mentioned matters.

## **17. CONCLUDING STATEMENTS**

Chairperson.

The SANDF remains **essential to sovereignty, central to internal stability** and critical to the Republic's **regional and global obligations**. Parliament is encouraged to support the Department's efforts for adequate resources.

We must choose to align defence ambition with an increased funding trajectory; restore coherence between policy and force design; protect the

soldier as the centre of capability; rebuild critical domains; correct governance failures; stabilise operational financing; and renew the defence-industrial base in support of long-term sovereignty.

We will continuously work hard for the improvement of the lives of our military veterans. The Deputy Minister Hlophe will elaborate further on the operational matters for the Department of Military Veterans.

I present to you the 2026/27 Defence Budget Vote 23 of **57,605 billion rands**.

I also present the 2026/27 Military Veterans Budget Vote 26 of **912 million rands**.

I thank you.

**ENDS**