



Publication: Cape Times - BusinessReport

Title: State seeks more partnerships in public infrastructure works

Publish date: 19 Mar 2024

Page: 9

Reach: 10921 AVE:R 76903.00 Author: Edward West

DEVELOPMENT

State seeks more partnerships in public infrastructure works

Government's investment in large-scale infrastructure is contribution to job creation

EDWARD WEST

edward.west@inl.co.za

THE government was involved in infrastructure projects in various stages of completion worth R2.4 trillion of which some R570 billion was for transport projects, Public Works and Infrastructure Minister Sihle Zikalala said yesterday.

Speaking at the Infrastructure South Africa (ISA) conference in Cape Town, the first time the conference was being held in four years, Zikalala said the government had started 113 "major infrastructure projects" since the last conference in 2020, and these were to build hospitals, roads, dams and other water facilities, and other infrastructure, and some of them were still under construction.

He said the government's investment in large-scale infrastructure was its contribution to job creation and economic growth in the country, and investment in infrastructure was one of the "pillars of policy" by the sixth government administration.

ISA's head, Mameetsa Masemola, said the Finance Ministry had indicated that it was prepared to fund viable infrastructure projects, particularly if these could be funded with private-sector partnerships such as through blended finance models and public-private participation in the projects.

She said ISA was working to pack-



PUBLIC Works and Infrastructure Minister Sihle Zikalala. | ARMAND HOUGH Independent Newspapers

age and help alleviate administrative bottlenecks on projects to a value of R540bn, up from R340bn for projects in 2020. Much of these projects were energy-related and about 95% of the projects' total value were private sector-led projects.

Masemola said some 25 energy-related projects had reached financial closure and construction was expected to start this year, with some 14 000 jobs expected to be created through this process.

In the water sector, she said ISA was involved in 11 projects to the value of R139bn, and seven of these had progressed to construction phase while some, such as the raising of the Hazelmere dam wall, were already complete.

ere dam wall, were already complete.

Masemola said ISA was involved in
15 projects in the transport sector, and
six of these, worth R25bn had been
completed, while others were under way.

She said ISA had also achieved great success in human settlement projects, and the estimated job creation for these projects was 38 000.

She said National Treasury had allocated R600 million to ISA over the next three years to package and help bring more projects to fruition.

Some of the other infrastructure projects ISA was involved in were schools, hospitals and providing bulk infrastructure services for Special Economic Zones.

ture services for Special Economic Zones.
Meanwhile, the National Infrastructure Fund had mobilised R25bn
in funding for infrastructure projects,
which would enable the fund to mobilise another R70bn in project funding
from the private sector.

The fund, including R3.3bn mobilised from the government and R3.4bn from the private sector, participating in a human settlements project West of Johannesburg to complete the bulk services infrastructure for some 30 000 housing units.

Meanwhile, the Department of Public Works was making state land and facilities available for refurbish-operate-transfer, and build-operate-transfer projects with the private sector.

Land valued about R94bn, with buildings and facilities on them with an estimated value of R49bn were now available for these kinds of government and private-sector partnerships.

As the biggest property portfolio owner in the country, these projects, never before attempted by the government, would be a good opportunity for the government to improve its facilities, generate economic growth and jobs, and generate additional income from its facilities, the conference heard.