INFRASTRUCTURE
South Africa

Investment Handbook
(Russia Edition)
2025

MINISTER'S FOREWORD

2025

Minister Dean Macpherson
Public Works and Infrastructure

"South Africa is ready for infrastructure investment, and I look forward to engaging with any investor to turn our country into a construction site."

The need for infrastructure development and investment in South Africa has never been more urgent. Not only does our transport networks, energy generation, and public facilities require significant upgrades and expansion, but infrastructure investment is also widely viewed as a catalyst for economic growth. Aside from the immediate employment opportunities it provides, it additionally lays the foundation for long-term sustainable economic development. The building of new roads, railways, sustainable electricity supply, hospitals and schools helps to improve the overall functioning and efficiency of our economy.

The government of South Africa has a bold vision to transform our country's economic landscape. Our overriding objective is to close the infrastructure investment gap by developing a bankable pipeline of infrastructure projects and programmes that can leverages private sector financing. We are improving the legislative and regulatory environment to open the door for increased private sector participation, crucial for the sustainability and scalability of these projects.

I oversee Infrastructure South Africa which is the central government agency responsible for coordinating and driving a national infrastructure investment programme with the intent of improving infrastructure investment and delivery. Working closely with the Infrastructure Fund, have developed this Infrastructure Investment Handbook that provides visibility of infrastructure projects and programmes that have the potential to leverage private sector investment.

Infrastructure investment plays a key role in improving the productivity of many sectors, reducing the cost to companies and creating jobs. The successful execution of infrastructure investment requires long-term planning and oversight as well as deeper private and public sector collaboration and partnerships. The Infrastructure Investment Handbook is intended to generate interest from infrastructure providers and financiers. South Africa is ready for infrastructure investment, and I look forward to engaging with any investor to turn our country into a construction site.

Ms. Mameetse Masemola
Head of ISA (Acting)

Infrastructure South Africa, working in collaboration with the Infrastructure Fund, are mobilising funding and financing thereof, to progress these to financial close.

Infrastructure South Africa is established to provide strategic, technical and financial advisory support to project sponsors for the planning, preparation, development and implementation of national pipeline projects and strategic integrated projects.

This edition of the Infrastructure Investment Handbook profiles priority infrastructure projects, the size and scale that will have a significant positive impact on the economy. They underscore the deeper collaboration models between the private and public sectors that we have embedded over a period of time to develop a comprehensive pipeline of bankable projects.

The portfolio of projects showcased seek to leverage significant levels of private sector finance due to limited fiscal borrowing capacity, amounting to US $56,8 billion. These are high impact projects utilising blended finance as well as PPPs, private sector led infrastructure projects in the energy sector that require financing and have demonstrable opportunities in terms of supply of equipment and technology as well as the future project pipeline. Infrastructure South Africa, working in collaboration with the Infrastructure Fund, are mobilising funding and financing thereof, to progress these to financial close.

Additionally, we are showcasing projects that are currently under project preparation with a total value of over US $14,9 billion. This is a future project pipeline, but also requires Infrastructure South Africa to utilise its seed funding to catalyse additional project preparation grant funding to close the financing needs for project preparation.

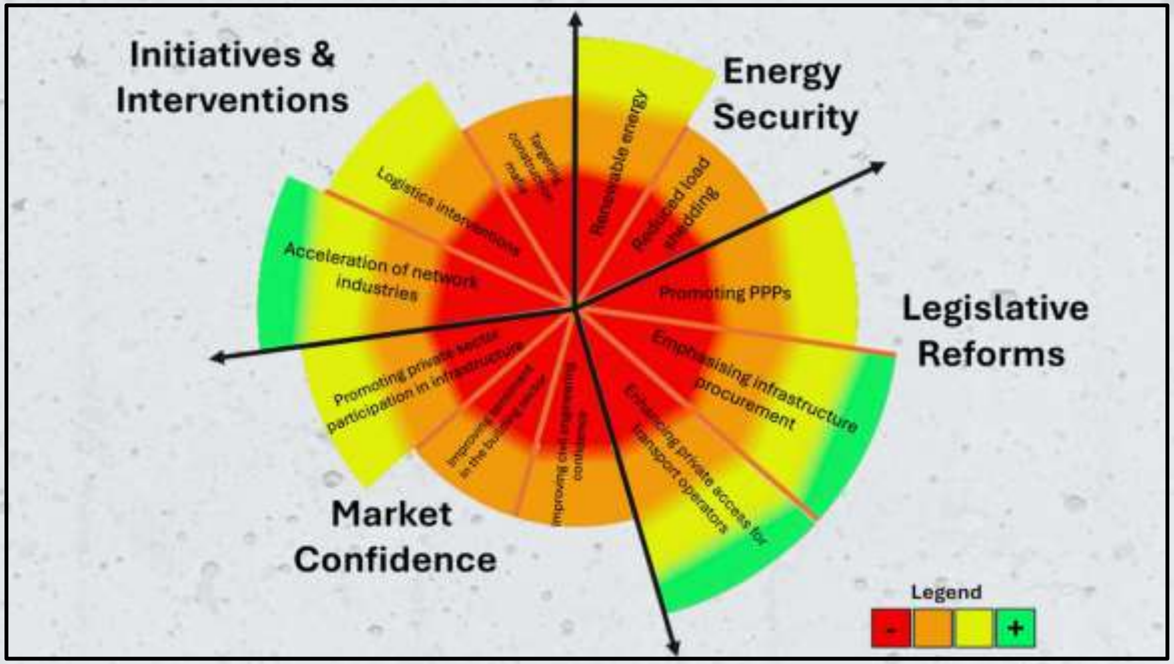
Table of Contents

Infrastructure Overview - South African Context

INFRASTRUCTURE LANDSCAPE IN SOUTH AFRICA

The infrastructure landscape in South Africa has transformed and is showing positive signs of improvement.
The figure below depicts the strategic reforms, improvements in energy security, positive market sentiment and the infrastructure legislative reforms.

Figure 4: Improved Infrastructure Landscape in South Africa



The market sentiment, as indicated by the civil engineering and building confidence index, has shown improvements post covid for the construction sector. Government has also initiated numerous programmes targeted at collaboration with the private sector in the development and delivery of infrastructure. There has been a concerted effort to address the energy security challenges experienced by the country, resulting in a reduction in load shedding and the conclusion of renewable energy projects. Legislative reforms in the form of a newly established transport economic regulator which aims to improve market access for private participation.

Other reforms relate to amendments to the public-private partnership (PPP) regulations and the amendments to procurement legislation to formulate regulations regarding the procurement of infrastructure. Government has also made progress in improving the delivery of infrastructure through key strategic reforms aimed at streamlining approval processes for network industries, improving freight logistics and addressing the surge of the construction mafia. The infrastructure landscape provides a positive outlook with room for potential improvements towards 2030 NDP targets.

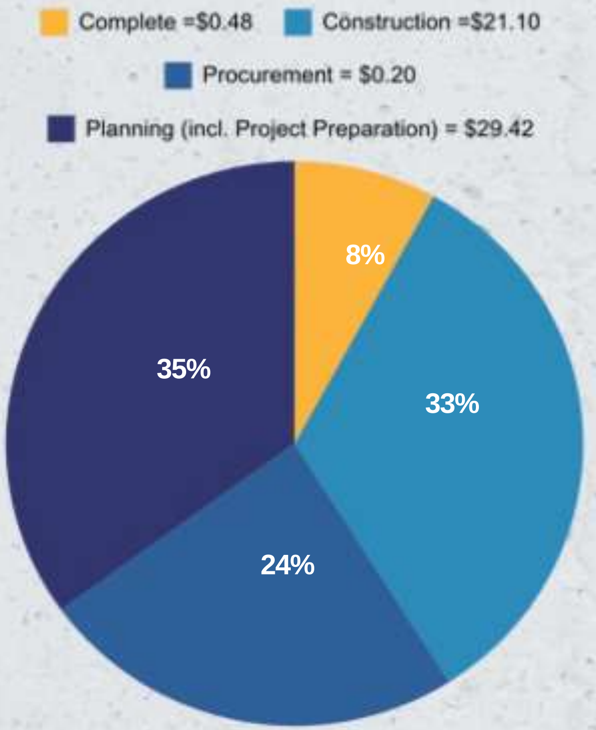
INFRASTRUCTURE PIPELINE

INFRASTRUCTURE PIPELINE

Infrastructure South Africa (ISA) undertakes the development of comprehensive infrastructure project pipeline, ensuring governance, visibility, and transparency in respect of project structuring, due diligence, quality assurance to build investor confidence and leverage private sector funding. The infrastructure project pipeline supported by ISA and Infrastructure Fund (IF), consists of:

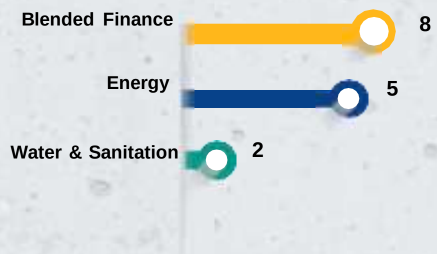
- .Projects registered and gazetted as Strategic Integrated Projects (SIP) in terms of the Infrastructure Development Act,
- Projects registered for support in the development of business cases to achieve investment readiness and seek capital funding support,
- Projects registered and require financial structuring such asPrivate Public Partnerships, and to address funding gaps through blended finance solutions.

THE PIPELINE OF INFRASTRUCTURE PROJECTS REGISTERED WITH ISA ARE MEGA, CATALYTIC PROJECTS DISTRIBUTED THROUGHOUT THE COUNTRY, AND ARE AT VARIOUS STAGES OF DEVELOPMENT AS OUTLINED IN THE FIGURE BELOW:



THIS SECTION PROVIDES AN OVERVIEW OF THE INFRASTRUCTURE PIPELINE, PROFILING PROJECTS SUPPORTED WITHIN ISA PIPELINE AS FOLLOWS:

Investment Ready Projects



Future Projects

Future Pipeline
(Project Preparation)

11

EXECUTIVE SUMMARY OF ENERGY PORTFOLIO

The **National Infrastructure Plan (NIP) 2050** estimates that the cost of delivering infrastructure to meet National Development Plan (NDP) objectives will be in excess of **US$ 333 Billion between 2016 and 2040**, with energy and transport accounting for over 72% of the requirements.

According to the Integrated Resource Plan (IRP) 2019, **South Africa is expected to have more than 30GW of installed Renewable Capacity by 2030.** As the Just Energy Transition (JET) proceeds, the reliance on coal is expected to decline as it is overtaken by renewable energy. As sector reforms are implemented, energy infrastructure delivery through the transition to a low carbon economy is also expected to stimulate industrial diversification.

In support of South Africa's Social and Economic Development, Infrastructure South Africa has gazetted various **Strategic Integrated Programs (SIP)** for Energy as well as launching a **Top 12 Infrastructure Priorities for Project Preparation.**

SIP9: Green Energy in Support of the South African Economy (REIPPP)
The Renewable Energy Independent Power Producer Program (REIPPP) aims to attract private investment into renewable energy generation. The current bidding window (BW7) seeks to procure 5,000 MW from wind and solar resources.

SIP10: Electricity Transmission and Distribution for All
The Transmission Development Plan (TDP) outlines the need for over **14,000 km of new power lines by 2034**, with significant investment required in transformation capacity.

The program includes more than 300 projects and aims to connect approximately 37 GW of new generation capacity.

SIP20c: Embedded Generation National Programme
This program facilitates private sector investment in utility-scale renewable energy projects, targeting over **10,000 MW of new generation capacity** across various sectors.

SIP20d:Just Energy Transition National Programme
The US$ 83.3 Billion Just Energy Transition Investment Plan outlines **Priority Investments in Electricity, New Energy Vehicles, and Green Hydrogen** sectors over the next five years.

SIP 20e: Green Hydrogen National Programme
Following the Hydrogen Society Roadmap established in 2021, South Africa aims to produce **500 kilotonnes of green hydrogen annually by 2030**, positioning itself as a leader in this emerging market.

SIP 20f: Oil and Gas National Programme
This initiative focuses on ensuring energy security through Upstream Production and more than **2500MW of Downstream Use in Gas to Power applications**

Top12 Infrastructure Priorities for Project Preparation:
ESKOM Tubatse Pumped Storage Scheme, Port of Ngqura Liquified Natural Gas Import Terminal, Richards Bay Liquified Natural Gas Import Terminal, Mossel Bay Gas To Liquids Refinery (GTLR) Reinstatement

QuickFacts

SIP Program Capital Value
~US$ 40 Billion
(excl. Green Hydrogen)

Province
National

Project Ownership
Various Public/ Private Entities

Status/Stage
Feasibility/ Bankability/ Procurement/ Execution

Investor Opportunities
Funding/ Financing/ Equipment Supply/ EPC

Notes: A SIP is a Strategic Integrated Project designated by Infrastructure South Africa (ISA) under the South African Infrastructure Development Act
Exchange Rate used in document: R18/ 1US$

SIP 8 — GREEN ENERGY IN SUPPORT OF THE SOUTH AFRICAN ECONOMY

Renewable Energy Independent Power Producer Program (REIPPP)

The Renewable Energy Independent Power Producer Program (REIPPP) is **a competitive tender process that was designed to facilitate private sector investment into grid-connected renewable energy** generation in South Africa through various bidding windows (BWs). Bid windows are defined as the time between when a Request for Proposals (RFP) is issued and the deadline time for submission. The offtake for the program is the public sector through Eskom as the offtaker. A total of **9,906MW has been purchased from 123 IPP projects during BW 1 through BW5** of the independent power producer procurement process.

The preferred bidders for BW6 for 1000MW of solar PV were announced in December 2022. AMEA's 120MW Doornhoek and Red Rocket's 240MW Virginia Solar PV projects are now in construction with other BW6 projects proceeding to financial close. Currently under procurement is **BW7 which seeks to procure 3,200MW from wind and 1,800MW from solar PV resources.** The RFP closed on 15 August 2024. Evaluation is targeted for completion within 3 months of RFP closure and financial close targeted for 6 months thereafter. Potential exists for funding and supply of infrastructure.

The REIPPPP programme includes the following technology options:

- **Solar PV:** Balance of Plant (BOP), Civil & Electrical, Structures & Trackers, Modules, Cables, Inverters
- **Wind:** BOP, Civil & Electrical, Towers, blades, Nacelles, Hubs
- **Energy Storage:** Battery Energy Storage Systems (BESS)
- **Substations:** Transformers, Circuit Breakers, Busbars, Capacitors

QuickFacts

Project Capital Value

Estimated: US$ 816.7 Million (Bid Window 6)

Estimated: US$ 4.2 to 5.6 Billion (Bid Window 7)

Province

National

Project Ownership

Various Independent Power Producers (IPPs)

Status/Stage

Procurement & Contract Structuring

Investment Opportunities

Funding and Equipment Supply

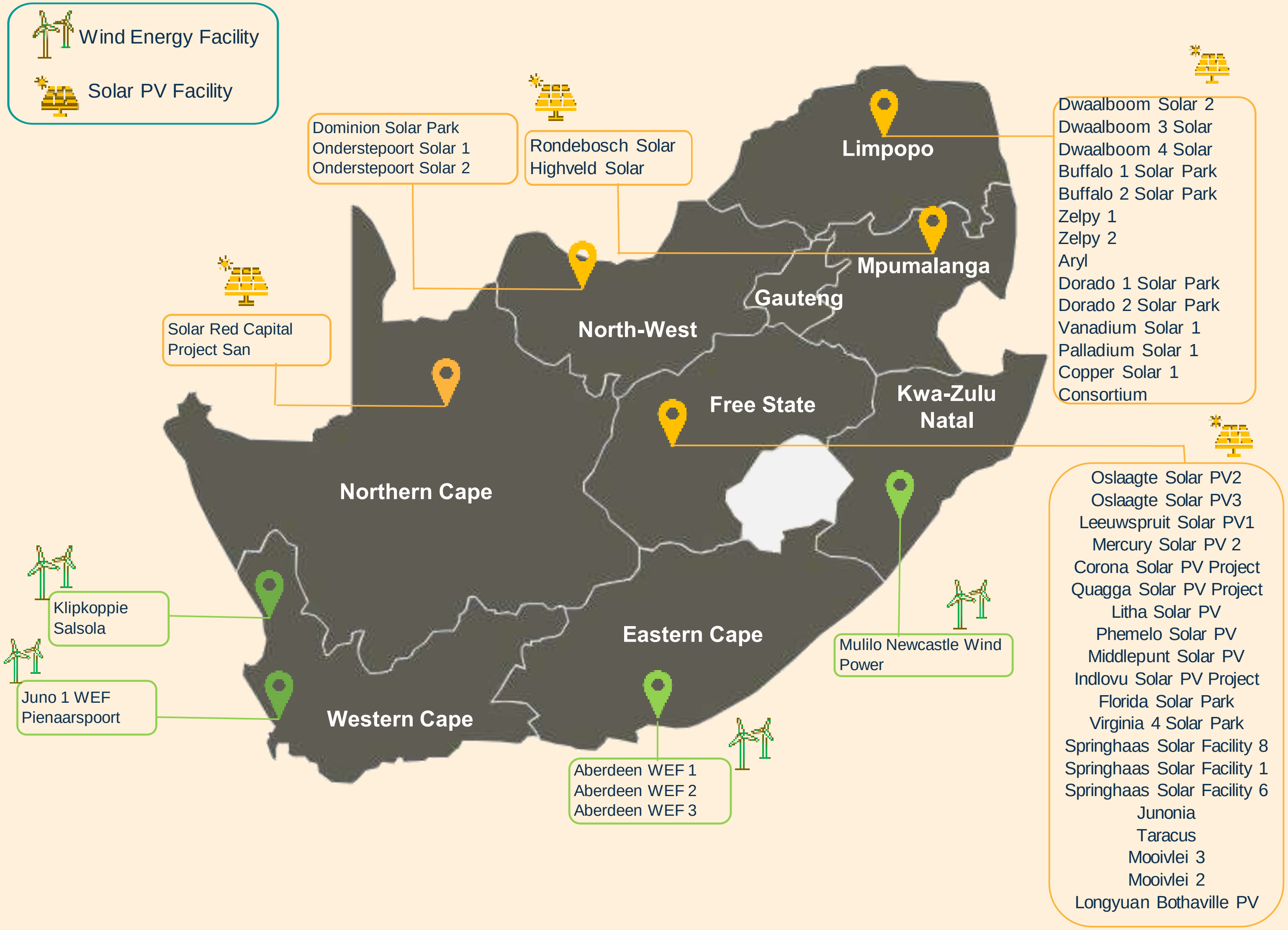
Energy Sector

***DTIC designated sector thresholds apply**

[Industrial Procurement - The Department of Trade Industry and Competition (thedtic.gov.za)](thedtic.gov.za)

SIP 8

GREEN ENERGY IN SUPPORT OF THE SOUTH AFRICAN ECONOMY (REIPPP BW7*)



Active REIPPP Project Developers:

*List of bidders was announced on 15 August 2024 Preferred bidder announcement expected in Q4/ 2024

PPP

SIP 10 - ELECTRICITY TRANSMISSION AND DISTRIBUTION

The Transmission Development Plan (TDP) Program entails investment in more than 14 000 km of new power lines that will need to be added by 2034 at a yearly rate of 1 400km of which 5044km are required to be added from FY2025-29.

The TDP comprises more than 300 projects to expand the grid and 47 quick-win projects have been identified that would allow the connection of roughly 37 GW of new generation capacity – these are shown below. A significant number of these (25) revolve around strengthening existing substations by bringing onboard new transformers. Over the coming 5 years, the program requires CAPEX of US$ 6.25 Billion which has been allocated.

The required line construction capacity averages 1,400km per year and peaks at 2,700km. Existing industry capacity is 800km per year, at a stretch. There are no local suppliers for Class 4 Transformers and the country also has only one supplier of Fabricated Structural Steel.

In December 2024, a Request For Information was issued to gauge the level of interest and readiness among industry stakeholders, and to explore innovative, alternative models for the development and delivery of power transmission infrastructure and expedite the implementation of the Transmission Development Plan (Launch of the Independent Transmission Projects (ITP) Market Sounding Exercise)

QuickFacts

Project Capital Value
$ 6.25 Billion (FY 25-29)

Province
National

Project Ownership
National Transmission Company of South Africa (NTCSA)

Project Status/Stage
Feasibility/ Bankability/ Procurement/ Execution

Investment Opportunities
Project Finance/ Manufacturing/ Equipment Supply/ EPC

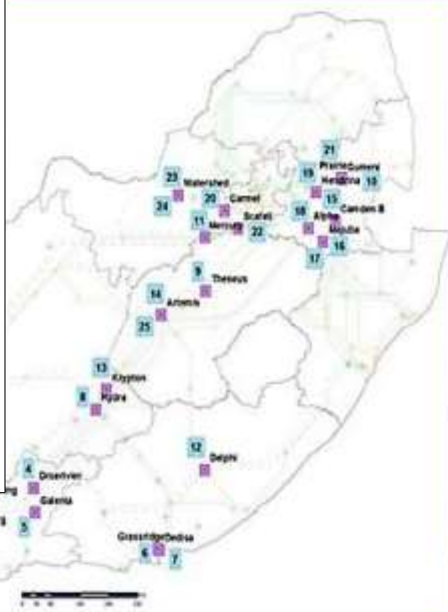
Energy

SIP 10 ELECTRICITY TRANSMISSION AND DISTRIBUTION FOR ALL (TX)

47 Priority projects have been identified to accelerate 37GW of new connection capacity by 2033

1. Upington Str: Ferrum-Upington 400kV line 1 IPP 2. Asteria 400/132kV S/S Integration 3. Mookodi Extension and 1st 500MVA trfr 4. Paulputs 400kV Str Ph 1 5. East Coast Gas 3GW at Richards Bay 6. Agulhus 400/132kV S/S Integration 7. Cape Corridor Ph4: 1st Perseus-Zeus 765kV 8. Cape 765 ph4 Gamma-Kappa 765kV no2 9. Cape Corridor Ph4: Kappa-Sterrekus 2nd 765kV 10. Cape Corridor Ph4: 2nd Gama-Perseus 765kV 11. Gamma Str: Gamma 765/400kV trfr 12. Kimberly Ph 4A: Beta-Boundary 400kV 13. Kimberely Ph 3: Ferrum – Mookodi 2nd 400kV 14. Kimberley Ph 3: Mookodi – Hermes 2nd 400kV 15. Gr East London Str Ph4: Pembroke – Poseidon 16. Droerivier-Gourikwa 400kV 17. Hydra-Kronos – Aries 400kV line 2 IPP 18. SGS – 2x Gamma – Grassridge 765kV lines 19. Hlaziya 400/132kV MTS integr IPP 20. Aurora – June 400KV line 2 21. Cape Corridor Ph5: 1st Mercury – Sterrekus 765kV 22. Cape Corridor Ph2: 2nd Mercury – Sterrekus 765kV

1. Komsberg 400/132kV 500MVA Trfr 3 2. Kappa 400/132kV 500MVA Trfr 2 3. Koring 400/132kV SS Int 4. Droerivier 3rd 400/132kV Trfr 5. Galenia 400/132kV SS Inr 6. Grassridge 400/132kV 500MVA Trfr 3 7. Dedisa 400/132kV 500MVA Trfrs 3&4 8. Hydra 2 x 240MVA 400/132kV Trfr 3 9. Theseus 400/132kV 400MVA Trfr 3 10. Gumeni 400/132kV 500MVA Trfr 2 11. Mercury 400/132kV 500MVA Trfr 3 12. Delphi 400/132kV Trfr 3 13. Krypton 400/132kV Sub Int 14. Artemis 400/132kV SS 15. Camden B MTS 16. Majuba 400/88kV Trfr Upgrades 17. Majuba MTS 400/132kV Ext 18. Alpha 400/132kV 19. Hendrina 400/132kV Trfr 3 20. Camel 275/132kV Trfr 3 21. Prairie 275/132kV Trfr upgrades 22. Scafell SS Refurbishment 23. Watershed – Boitumelo 150MW PV 24. Watershed – Kutlwano 150MW PV 25. Good Hope 2



Power Lines

- **15** projects in development stages to deliver **6,269 km and 20,079 MW** **7** projects in procurement and construction stage to deliver **808.4 km** and **4,070 MW**

Transformers

- **13** projects in development stages to deliver **8,531 MW 10** projects in procurement and construction stage to deliver **4,051 MW 2** projects at PCA consisting of **950 MW**

ESKOM EPC, PC and Construction Panel*

19 local companies have signed agreements:
1. Ady Em Technical (Pty) Ltd 2. Bona-GPWG JV 3. Imbawula Technical Services and Suppliers Group (Pty) Ltd 4. KRM Global Works (Pty) Ltd 5. Letacla (Pty) Ltd 6. Melees Electrical Lines (Pty) Ltd 7. Mico Construction 8. Mkhulu Electro Distribution Projects (Pty) Ltd 9. Murray and Roberts (Pty) Ltd 10. NYC Water and Mining (Pty) Ltd 11. Olot Engineering (Pty) Ltd 12. Power Line Africa (SA) (Pty) Ltd 13. Rethuseng Live Line and Services (Pty) Ltd 14. Siya and Aya Engineering (Pty) Ltd 15. Siyavuya Power Projects (Pty) Ltd 16. SKM Africa (Pty) Ltd 17. Take Five To Make Ten General Trading 18. Thenga (Pty) Ltd
19. Tractionel Enterprise (Pty) Ltd

*The above entities signed long-term agreements for the construction of overhead power lines

PPP

SIP 20F - OIL & GAS NATIONAL PROGRAMME

Energy security is a fundamental ingredient to a stable and growing economy. The Oil and Gas National program is focused on the key strategic objective of ensuring energy security, ensuring availability of energy resources and access to energy services in an in an affordable and sustainable manner, while minimizing adverse environmental impact. The scope of the program includes Upstream Production, Midstream Transmission and Downstream Use in Gas to Power applications.

The program is currently supporting a pipeline of 10 major upstream and downstream projects including over 2,000MW of private sector Gas to Power generation capacity which is now at various stages of development. The projects are shown in the figure below. Potential exists for funding and supply of infrastructure for the various projects currently under development.

The programme includes the following infrastructure:

- **Upstream Production:** Drilling rigs, Production Facilities, Transportation Systems, Storage Facilities, Support Infrastructure
- **Gas Supply:** Import Terminals, Storage Facilities, Processing Facilities, Pipelines
- **Gas to Power Facility:** Gas Turbines, Heat Recovery Steam Generators, Steam Turbines, Balance of Plant
- **Substations:** Transformers, Circuit Breakers, Busbars, Capacitors

QuickFacts

Project Capital Value

~$ 7.6 Billion

Province

National

Project Ownership

Various Public/ Private Entities

Project Status/Stage

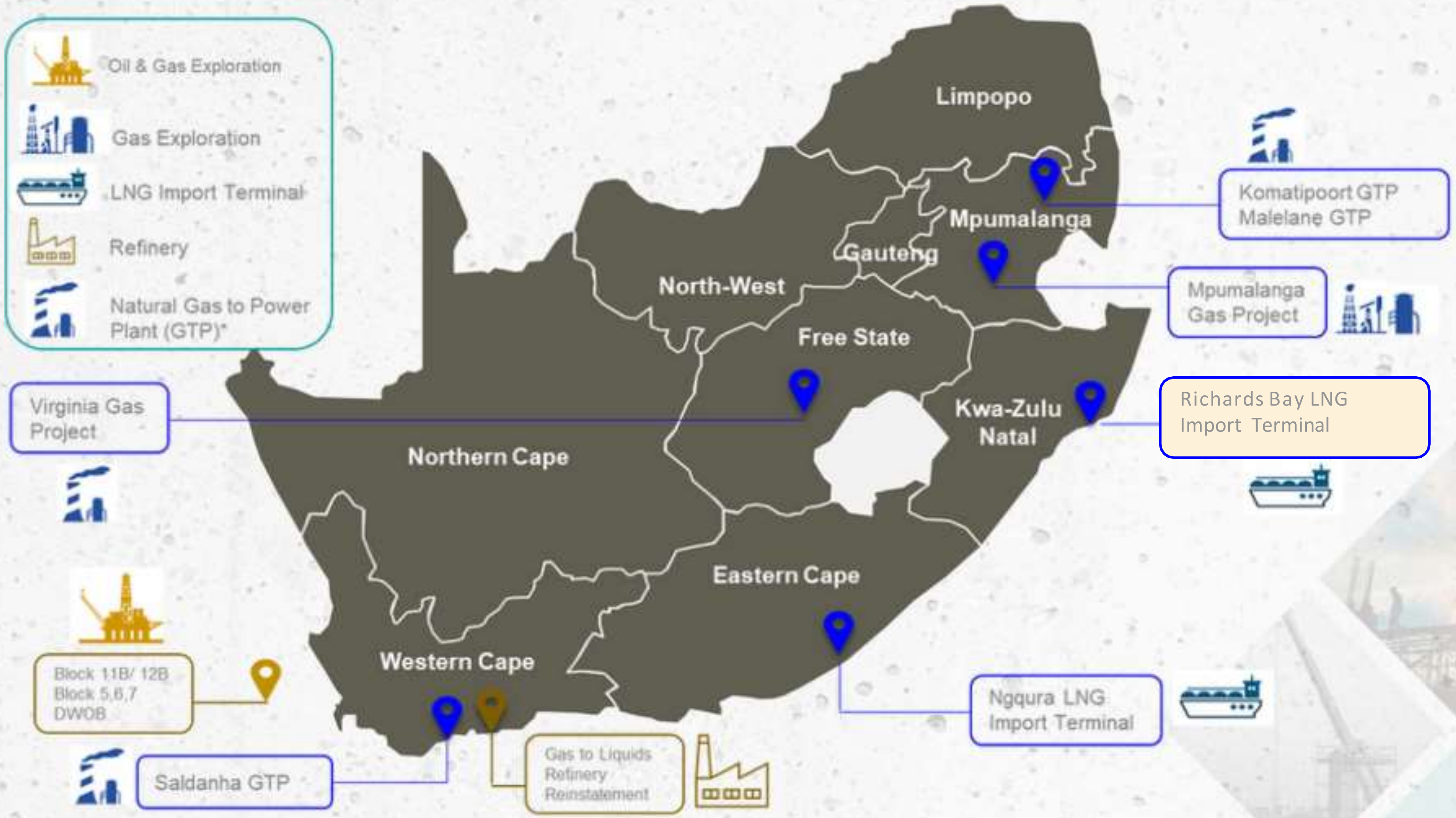
Feasibility/ Bankability/ Procurement/ Execution

Investment Opportunities

Funding/ Financing/ EPC

Energy

SIP 20F OIL & GAS NATIONAL PROGRAM HIGHLIGHTS



PPP

ASSEGAI POWER GAS TO POWER PLANT

The applicants, Assegai Power (Pty) Ltd. and Avedia Terminals (Pty) Ltd. proposes to establish a 1000 MW Liquified Natural Gas (LNG) to Power Plant; LNG Storage and Regassification Facility, Overhead Electricity Transmission Line, and Associated Infrastructure.

The project area is located within the Bessansklip Industrial Zone in Saldanha Bay, Western Cape, where the applicants are proposing to develop a gas-to-power generation facility for direct transmission into the Eskom electricity grid, and/or third parties as well as an LNG Storage and regasification facility on a portion of Portion 1 of Farm Uyekraal, No. 189, Saldanha, Western Cape.

QuickFacts

Project Capital Value
~$ 616 Million

Province
Western Cape, South Africa

Project Ownership
AHubEnergy

Project Status/Stage
Bankability

Investment Opportunities
Project Finance/ EPC

Energy

PRIVATE

RENERGEN VIRGINIA GAS PROJECT

The Virginia Gas Project comprises production rights of 187 000 ha of gas fields across Welkom, Virginia and Theunissen in the Free State, with an additional 18 732,93 ha in exploration rights. The source of the Virginia Gas Project's natural gas is primarily microbial.

The Project is an expansion of South Africa's first and currently only onshore Production Right. It aims to increase the exploration, production and processing of natural gas and associated byproduct helium. The project entails a natural gas facility producing 12.5 million gigajoules of LNG per annum.

Key facts:

- First and only onshore petroleum production right in South Africa
- One of the richest sources of helium recorded globally
- Proven reserves of methane-rich natural gas
- A clean substitute for transport fuel, thermal fuel and power
- Scalable plant

QuickFacts

Project Capital Value

~$ 1.2 Billion

Province

Free-Sate Province,South Africa

Project Ownership

Renergen

Project Status/Stage

Bankability

Investment Opportunities

Project Finance/ EPC

Energy

PPP

KHANYAZWE FLEXPOWER 1000MW

The proposed project will be located on Portions 1, 4, and 116 of Farm Malelane 389 FP, in Malelane within the Nkomazi Local Municipality and the Ehlanzeni District Municipality of the Mpumalanga Province.

The project involves developing, constructing, and operating a 1000MW natural gas-fired power plant using reciprocating engine technology. The proposed project will comprise of a phased development approach, with Phase 1, 440MW to be built by 2028 and Phase 2, 560MW to be completed by 2030.

KFP will source gas from the Republic of Mozambique Pipeline Investments Company (ROMPCO), which has an existing gas pipeline that connects Mozambique's Pande Temane gas fields to Sasol's operations in South Africa, as well as several industrial and retail customers. Alternative gas sources may include imported Liquid Natural Gas (LNG) projects developed in Matola, which will provide additional gas into the ROMPCO pipeline. KFP is also proposing the development of approximately two 500 meter 275 KV and/or 132 kV overhead powerlines from the proposed power plant to the existing Eskom Khanyazwe substation. The power plant will provide a mid-merit power profile to the national grid.

QuickFacts

Project Capital Value

~$ 611 million

Province

Mpumalanga,

South Africa

Project Ownership

Flexible Energy Developments

Project Status/Stage

Bankability

Investment Opportunities

Project Finance/ EPC

Energy

PPP

SIP 10 - ELECTRICITY TRANSMISSION AND DISTRIBUTION

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QuickFacts

Project Capital Value
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Province
National

Project Ownership
National Transmission Company of South Africa (NTCSA)

Project Status/Stage
Feasibility/ Bankability/ Procurement/ Execution

Investment Opportunities
Project Finance/ Manufacturing/ Equipment Supply/ EPC

Energy

PPP

Lesotho Highlands Water Project (LHWP)

The Lesotho Highlands Water Project (LHWP) is a bi-national water infrastructure project between the Republic of South Africa and the Kingdom of Lesotho. Overall, LHWP entails harnessing the waters of the Senqu/Orange River in the Lesotho highlands through the construction of an intricate network of tunnels and dams to divert water from the mountains of Lesotho to South Africa.

The development in Lesotho comprises building dams, tunnels, power stations, and the related infrastructure within the borders of Lesotho. Development in South Africa comprises tunneling, delivery, integration and flow control of water into the Ash River outfall in South Africa.

Lesotho Highlands Water Project is divided into Phase I and II. LHWP Phase I was divided into 1A and 1B and concluded in 2003. LHWP Phase II was launched on 13 November 2020 and is underway. Phase II includes the construction of a dam at Polihali, the 38 km 5.2 m diameter Polihali to Katse water transfer tunnel, with significant investment into ancillary infrastructure. The concrete-faced rockfill dam wall will stand 165m high, have a crest length of 921m, and a crest width of 9m.

At its base, the embankment will be 470m wide. Over 13 million cubic metres of rock which will be quarried locally within the dam basin, will be compacted to form the embankment. The dam will create a reservoir on the Senqu and Khubelu rivers with a surface area of 5 053 hectares and a full supply storage capacity of 2 325 million cubic meters.

QuickFacts

Project Capital Value

~$2.3 billion

Province

Binational

(Lesotho and South Africa)

Project Ownership

Department of Water and Sanitation (DWS)

Project Status/Stage

Implementation

Investment Opportunities

Funding to refinance existing debt

Water & Sanitation

PPP

Berg River Voëlvlei Augmentation Scheme (BRVAS)

The project has been identified as a surface water development that can satisfy the augmentation requirement of the Western Cape Water Supply System (WCWSS). The system serves the City of Cape Town, its surrounding urban centres and irrigators along the Berg, Eerste and Sonderend rivers.

BRVAS will abstract water from the Berg River and pump it to the existing Voëlvlei Dam, increasing the yield by 23 million-m3 per annum in the medium to long term. The scheme will extensively use existing infrastructure, namely the Voelvlei Dam, water treatment works, Cape Town's pipeline from the treatment works and the facilities of the West Coast District Municipality.

The project will improve regional water security and create a more reliable supply to domestic, agricultural and industrial water users. The new scheme will augment they yield of the water supply system by 23 Mm3/year. It has the potential for job creation, mainly during the construction phase. Several other business opportunities will be created for the SMME sector.

QuickFacts

Project Capital Value
~$91million

Province
Western Cape

Project Ownership
Department of Water and Sanitation (DWS)

Project Status/Stage
Procurement

Investment Opportunities
Debt

Water & Sanitation

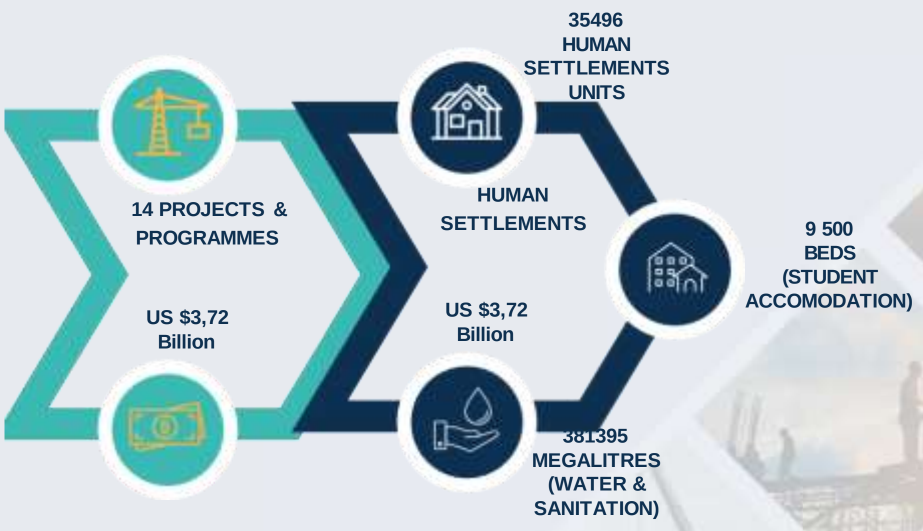
INFRASTRUCTURE FUND

INFRASTRUCTURE FUND - BLENDED FINANCE PROJECTS

MANDATE

The Infrastructure Fund, established in August 2020 by South African National Treasury, Department of Public Works and Infrastructure acting through Infrastructure South Africa and the Development Bank of Southern Africa is mandated to create blended finance solutions in order to significantly crowd in private sector investment in the implementation of infrastructure programmes and projects in South Africa.

In structuring Blended Finance solutions, the Infrastructure Fund strategically utilises fiscus funds to mobilise financing from multilateral institutions, development finance institutions and the private sector to enhance the development impact of infrastructure.



VALUE PROPOSITION

Through the intervention of the Infrastructure Fund, the following outcomes are achieved:

- Blended finance solutions and co-financing mechanisms.
- Improve commercial viability.
- Alleviate pressures on the fiscus by attracting private investment.
- Creation of a sustainable infrastructure development eco-system.
- Accelerate, scale-up and catalyze infrastructure development and implementation.
- Drive socio-economic development.

Since inception, the Infrastructure Fund packaged 14 blended finance projects / programmes with a capital value of US $3,72 billion across several sectors. The advanced pipeline summary is as follows

Olifants Management Model Programme Phases 2B and 2B+

The Project includes major bulk raw water pipelines, and bulk and potable water distribution infrastructure. The construction of bulk and potable water infrastructure will supply targeted communities and commercial water users (such as mining companies, industrial users, etc.) . The project scope includes 121 km of new steel pipeline, with varying diameters of 750mm to 1,400 mm, with a design capacity of 95 Ml/d (potentially 120 Ml/d); and three new associated pump stations at Flag Boshielo dam, Mokopane and Pruisen respectively.

The OMM Programme will deliver 263 million m3 per day or 95 995 million m3/a. There is a significant positive cross subsidisation movement towards businesses, communities and other institutional users who will offtake 60 to 70% of the water each year until 2050. It will also alleviate poverty by improving the socio-economic development and create 42 000 jobs in Limpopo Province. Provision of 30% of low-income groups with access to water and acceleration of bulk raw water provisioning for economic expansion to take advantage of the mining commodity cycle and development of other industries; eventually stimulating economic growth through the efficient allocation of capital and leveraging Government funding with private sector participation.

QuickFacts

Project Capital Value
$355,6 million

Project Ownership
Department Water and Sanitation
Lebalelo Water User Association

Province
Limpopo Province

Status/Stage
Financing

Investment Opportunities
Financing

Fiscus Contribution
US $133 million

Financial Close
July 2025

Water Sector

Early works and financial close activities

Olifantspoort and Ebenezer

Lepelle Northern Water and the Infrastructure Fund, signed a Memorandum of Agreement towards funding, financing, and implementation of the first phase of the Olifantspoort/ Ebenezer Upgrade Project to the capital value of R4.6 billion.

This is an upgrade and refurbishment of the Olifantspoort & Ebenezer water supply schemes. The project is envisaged to be implemented in three phases and the proposed phase 1 upgrade works will increase the availability of portable water by 55 to 65 Ml/day by 2026.

The proposed upgrade of the aims to reduce water services backlogs & meet the current & projected commercial and social water needs mainly for Polokwane Local Municipality and areas, including Sekhukhune District Municipality & Mopani District Municipality.

Polokwane Local Municipality and the Capricorn District Municipality are currently experiencing a water supply crisis, and this is preventing the local municipality to meet its socio-economic goals.

QuickFacts

Project Capital Value
$255 million

Project Ownership
Lepelle Northern Water

Province
Limpopo

Status/Stage
Implementation

Investment Opportunities
Debt Financing

Fiscus Contribution
$144,4 million

Financial Close
July 2025

Water Sector

Implementation of various work packages

Umkhomazi Water Project

The uMkhomazi Water Project is the recommended augmentation option to meet the long-term water requirements of domestic and industrial water users in the Umgeni Water Area.

The uMWP-1 project will be an inter-basin water transfer scheme and will increase the yield of the system from 394 million m3 to 614 million m3 per annum.

It consists of 81m3 and 252 m3 per annum Dam at Smithfield on the uMkhomazi River and a 32km long conveyance infrastructure and 5km raw water pipeline. A gravity potable water pipeline to link the system to Umgeni Water's 57' Pipeline is also proposed.

The economic & social benefits of the project are the uMgeni System yield by 54% from 394 to 608 million m3/a.

QuickFacts

Project Capital Value
$1,3 billion

Project Ownership
TCTA

Province
KZN

Status/Stage
Financial Close

Investment Opportunities
Debt Financing

Fiscus Contribution
US $667 million

Financial Close
December 2025

Water Sector

Advanced planning and financing activities

Moretele North Klipvoor BWSS

The MNKBWSS is a R5.2 billion regional bulk water scheme aiming to supply reliable and sustainable bulk potable water to Moretele North in the North-West and Bela- Bela, Modimolle, Mookgophong and Mokopane municipalities in Limpopo.

Aim is to secure Moretele Ground Water Optimization to identified villages in Moretele North and Ngobi. KWTWs that will be constructed just downstream of the Klipvoor Dam to supply the benefitting areas via new bulk pipelines, reservoirs and booster pump stations.

Bulk pipeline from Klipvoor WTW to Ngobi command reservoir, extending to Bela-Bela, Modimolle, Mookgopong and Mokopane.
The project aims to provide additional capacity of 42Ml/day

Construction has commenced on Work Packages 1& 7 at overall 18% completion.

QuickFacts

Project Capital Value
$289 million

Project Ownership
Magalies Water

Province
North West, Limpopo

Status/Stage
Financial Close

Investment Opportunities
Debt Financing

Fiscus Contribution
US $106 million

Financial Close
January 2026

Water Sector

Implementation of various work packages

Pilanesberg Phase 2

The Pilanesberg Bulk Water Supply Scheme Phase 2 (PBWSS-2) is in the North-West province. It aims to augment supply to ensure sustainable bulk potable water to the Rustenburg, Moses Kotane and Thabazimbi Local municipalities.

The project entails five (5) components aimed at providing 85.6 megalitres per day (Ml/d) by 2040, additional to current supply of 43Ml/d to meet the expected demand of 128.6Ml/d.

The biggest anchor for the Project is the Rustenburg Local Municipality (RLM), including the Royal Bafokeng Administration (RBA). The significant growth in RLM is attributed to the impact of some of the world's four largest platinum mines in the immediate vicinity of the town, namely, Anglo Platinum, Impala Platinum, Xstrata and Lonmin.

Approximately 97% of the total platinum production occurs in Rustenburg, with the mining sector providing around 50% of all formal employment.

QuickFacts

Project Capital Value
$161 million

Project Ownership
Magalies Water

Province
North West

Status/Stage
Financial Close

Investment Opportunities
Debt Financing

Fiscus Contribution
$100 million

Financial Close
January 2026

Water Sector

Implementation of various work packages

Olifants Management Model Programme Phases 2D and 2F

2D and 2F Raw Water Pipelines and Storage Infrastructure: R4.70 billion

Phase 2D is a 23.5-kilometre (km) long, 1 200-millimeter (mm) diameter raw water pipeline from the existing Steelpoort Pump Station to Mooihoek, where a Break-Pressure Tank will connect to the existing Lebalelo network that will reverse flow past Clapham Pumpstation until a tie-in point with the Phase 2F pipeline. Phase 2D is designed to take the full capacity of water as was catered for in the existing Phase 2C pipeline, matching the already constructed Steelpoort Pump Station pumping at approximately 150 Megalitres per day (Ml/d). It will be fully supplied from De Hoop dam via Phase 2C.

Phase 2F is a 21 km long, 1 200 mm diameter raw water pipeline from the existing Clapham Junction to Klipfontein. From Klipfontein, the system will gravity feed over a 25 km distance through a 900 mm diameter pipe to Olifantspoort Weir where water will be transferred to Lepelle Northern Water (**LNW**) for treatment and conveyance to Polokwane. Phase 2F will be supplied with water from two directions – from the reverse flow of the Lebalelo system between Mooi Hoek and Clapham Junction and from Havercroft Weir out of the Olifants River.

Phase 2F will be designed for 80Ml/d:

- **60Ml/d** will be supplied to Polokwane;
- **10Ml/d** for communities along the pipeline; and
- **10Ml/d** for commercial activities along the pipeline section.

- Two (2) new bulk reservoirs will be constructed at Klipfontein of 10 Ml/d each.

Water Treatment Works and Ancillary Reticulation Infrastructure: R2.30 billion

QuickFacts

Project Capital Value
$388,9 million

Project Ownership
Department Water and Sanitation
Lebalelo Water User Association

Province
Limpopo Province

Status/Stage
Financial Close

Investment Opportunities
Debt Financing

Fiscus Contribution
$194.4million

Financial Close
December 2026

Water Sector

EThekwini Non-Revenue Water Performance-Based Contract Pilot

At a national scale, NRW is approximately 1,660 million m3 or R9.9 billion per year. The average national non-revenue water levels of approximately 47%. KZN is above the national average by 13%.

The eThekwini Municipality Water and Sanitation (EWS) has identified the technical measures that can be undertaken to reduce the high levels of physical and commercial losses in the project area, estimating the costs and potential savings for each measure. Collectively these measures constitute the Project with a target to reduce the volume of NRW to between 7.18 million m^3/annum and 11.12 million m^3/annum.

eThekwini has embarked on the NRW Pilot Project for the Phoenix, Inanda, Ntuzuma and KwaMashu (“Project Area” with the PINK boundary). EWS is exploring a Performance Based Contract (PBC) as a procurement option to reduce the water losses and NRW in the Project area (pilot area).

If successful, the outcomes of the pilot will be replicated nationally.

QuickFacts

Project Capital Value
$55,5 million

Project Ownership
EThekwini Metro

Province
KZN

Status/Stage
Financial Close

Investment Opportunities
Debt Financing / Grant Funding

Fiscus Contribution
$21.0 million

Financial Close
July 2025

Water Sector

FUTURE PIPELINE

FUTURE PIPELINE – PROJECTS IN PREPARATION

A major contributory factor in infrastructure investment needs not being met is attributed to a insufficient investment in project preparation. To address these challenges and unlock the potential of infrastructure investments in South Africa, the National Treasury has granted ISA a project preparation fund to support project development and accelerate project economic and social impact into the economy. ISA is further seeking to catalyse seed funding to blend with other project preparation facilities available to effectively support project development to a bankable stage.

SA plays a crucial role in f**acilitating the development of infrastructure projects** across the country through supporting projects and programmes that:

- **can or have already secured private, development or related financing** – but require additional funding to address a viability gap,
- have not yet secured private, development or related financing and **require support to structure a financing arrangement,**
- **leverage alternative funding and delivery mechanisms** such as Public Private Partnerships, Concessions, and similar structures.

This **section outlines projects within the ISA pipeline** that are **receiving preparation support in order to reach a bankable stage.**

ISA PROVIDES PROJECT PREPARATION SUPPORT TO VARIOUS PROJECTS WITHIN VITAL INFRASTRUCTURE SECTORS.

45
Projects requiring preparation support

$10
Million
Available for project preparation in the current financial year

~$25
Million

PROJECTS ARE SUPPORTED IN THE CURRENT FINANCIAL YEAR

34
Projects are supported in the current financial year

INFRASTRUCTURE PRIORITIES FOR PRJECT PREPARATION

ENERGY INFRASTRUCTURE PRIORITIES FOR PROJECT PREPARATION

During the Sustainable Infrastructure Development Symposium South Africa (SIDSSA) 2024 held in Cape Town, Twelve major infrastructure project priorities were launched with the aim of driving public and private sector-led development in South Africa. The projects span Transport, Storage and Communication; Electricity, Gas and Water; Community, Social and Personal Services; Mining and Quarrying; and Agriculture, Forestry and Fishing Sectors, and fall under South Africa's 2024/2025 infrastructure pipeline. Through Project Preparation Support, Infrastructure South Africa is providing technical assistance to the Top 12 priority projects to enable them to reach bankability.

Amongst the Top 12 Priorities, the energy sector projects include the following:

- **ESKOM:** Tubatse Pumped Storage Scheme (TPSS)
- **TNPA:** Port of Ngqura Liquified Gas (LNG) Import Terminal
- **TNPA:** Port of Richards Bay Ngqura Liquified Gas (LNG) Import Terminal
- **PetroSA:** Gas to Liquids Refinery (GTLR) Reinstatement

The programme includes the following infrastructure:

- **TPSS**: Penstocks, Powerhouse, Intake Structures, Surge Chambers, Transformers and Transmission
- **LNG Terminal**: Floating Storage and Regasification Unit (FSRU), Marine Facilities, Storage Tanks, Regasification Equipment, Pipeline Infrastructure, Safety Systems, Bulk Infrastructure
- **GTLR**: Feed Gas Treatment Units, Fischer-Tropsch Synthesis Reactors, Storage Tanks, Balance of Plant, Utilities and Support Systems

QuickFacts

SIP Program Capital Value
~US$ 7.6 Billion

Province
National

Project Ownership
Various Private/ Public Entities

Status/Stage
Feasibility/ Bankability

Investor Opportunities
Funding/ Financing

Energy Sector

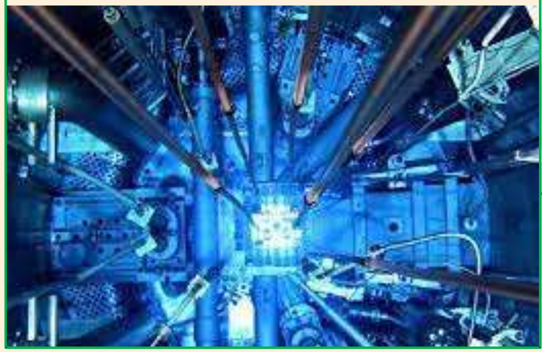
***DTIC designated sector thresholds apply**
[Industrial Procurement - The Department of Trade Industry and Competition (thedtic.gov.za)]

INFRASTRUCTURE South Africa

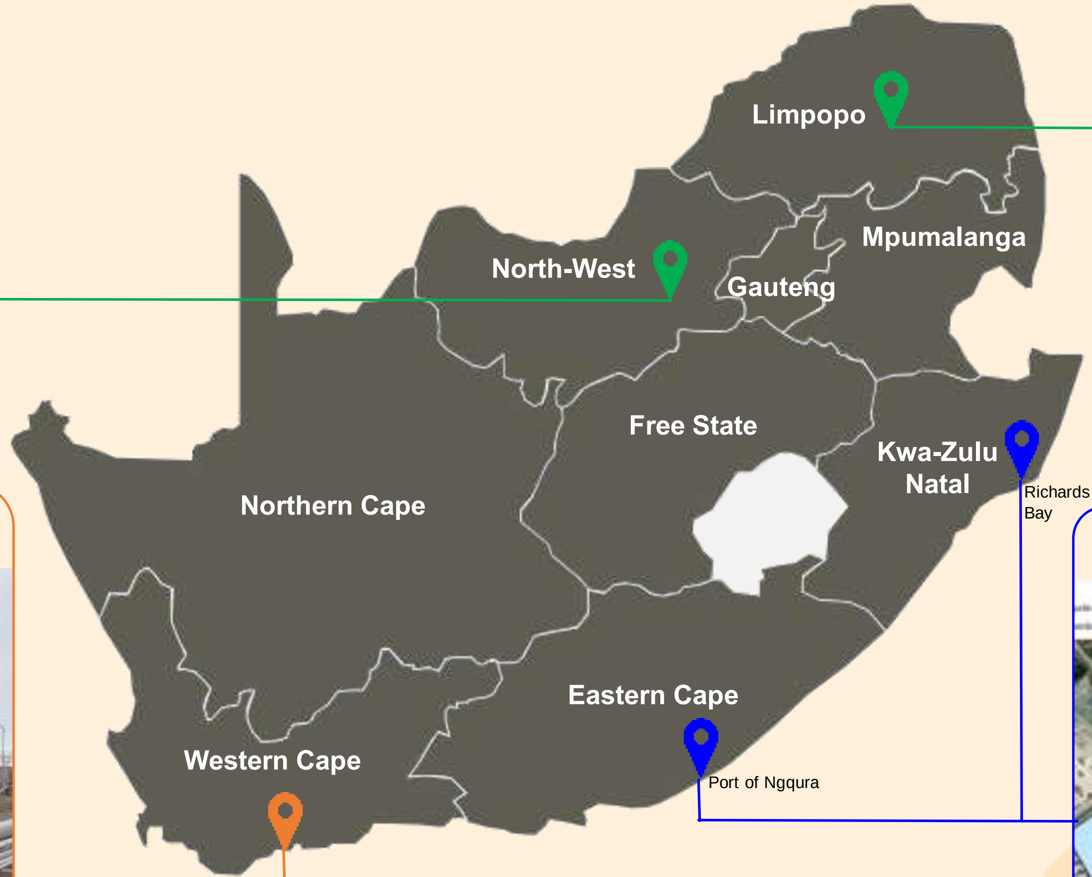
HIGHLIGHTS

PROJECT PREPRATION: ENERGY INFRASTRUCTURE PRIORITIES

NECSA MULTI-PURPOSE REACTOR (MPR) PROJECT



MOSSEL BAY GAS TO LIQUIDS REFINERY REINSTATEMENT



TUBATSE PUMPED STORAGE SCHEME

LIQUIFIED NATURAL GAS IMPORT TERMINALS

HIGHLIGHTS

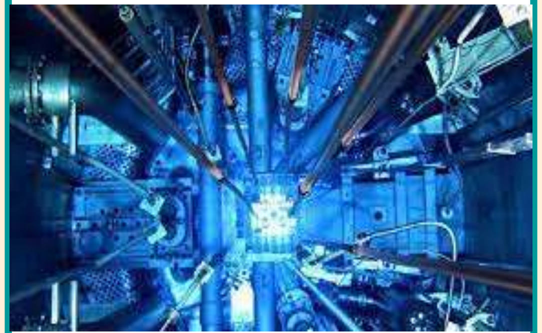
PROJECT PREPRATION: ENERGY INFRASTRUCTURE PRIORITIES

TUBATSE PUMPED STORAGE SCHEME

The proposed Tubatse Pumped Storage Scheme (TPSS) entails the construction of a 1500MW (4 units x 375MW) installed capacity pumped storage scheme. The objective of the project is to support the introduction of renewable energy by creating a large grid-scale energy storage system to provide best economical peaking generating capacity and ancillary services with the lowest technical and implementation risk.

Project Developer: ESKOM
Project Phase: Bankability
Estimated Capital Value: US$ 1.94 Billion
Locality: Limpopo Province, South Africa
Potential Opportunity: Project Preparation Funding

NECSA MULTI-PURPOSE REACTOR (MPR) PROJECT



The proposed NECSA MPR project entails the replacement of the end-of-life South African Fundamental Atomic Research Installation (SAFARI-1) through the construction of a new 20-30 MW nuclear power research reactor at Pelindaba. The project will ensure that South Africa retains and grows its role as a major producer of key medical radioisotopes for the international and domestic markets.

Project Developer: Nuclear Energy Corporation of South Africa (NECSA)
Project Phase: Bankability
Estimated Capital Value: US$ 1.45 Billion
Locality: North-West Province, South Africa
Potential Opportunity: Project Preparation Funding

PORT OF NGQURA LIQUIFIED NATURAL GAS TERMINAL

In alignment with South Africa's energy diversification goals and the Gas Masterplan, Transnet National Ports Authority (TNPA) has taken a strategic initiative to position the Port of Ngqura as a key enabler for the secure supply of Liquified Natural Gas (LNG) in the Eastern Cape through the development of an LNG Import Terminal.

Project Developer: Transnet Port Authority (TNPA)
Project Phase: Bankability
Estimated Capital Value: US$ 411 Million
Locality: Eastern Cape, South Africa
Potential Opportunity: Project Preparation Funding

MOSSEL BAY GAS TO LIQUIDS REFINERY REINSTATEMENT

The Gas To Liquids Refinery (GTLR) is currently offline and undergoing preservation maintenance. The proposed project entails the reinstatement of the Mossel Bay Production Assets which includes the GTL-Refinery (Liquids Section) in the earliest possible time at minimum costs, following suspension of production in 2020 due to feedstock challenges.

Project Developer: PetroSA
Project Phase: Feasibility
Estimated Capital Value: US$ 166 Million
Locality: Western Cape Province, South Africa
Potential Opportunity: Project Preparation Funding

Vaal Special Economic Zone

The project is aimed at reigniting industrialisation in South Africa through driving Green Energy-driven industrial transformation, steering investments into crucial food, agriculture, and agro-industrial domains, harnessing the potential of gateway logistics, the Blue Economy,and Tourism Sector.

Project Value: ~$306 million

Preparation Support: Environmental Impact Assessment, Town Planning and specialist studies work required for the sites making up the Vaal SEZ in order to thereafter conduct feasibility studies.

Atlantis Special Economic Zone

Atlantis Special Economic Zone Company (ASEZCo) aims to drive economic development through Greentech manufacturing, emphasizing low carbon emissions, resource efficiency, and social inclusivity. The ASEZ Programme is divided into four separate erven adding up to 94.8 hectares. The current business model of the ASEZCo entails the identification and acquisition of GreenTech tenants/investors aligned with ASEZCo's values.

Project Value: ~$65 million

Preparation Support: conducting a feasibility study update to aid in the development of a bankable business case.

Rooiwal Wastewater Treatment Works Phase 2

The expansion of wastewater treatment plant to a capacity of 80Ml/d to address the current and future deficiencies in the wastewater conveyance systems to facilitate the delivery of key residential developments aligned with the City's growth strategy and mitigate the risks associated with a lack of capacity. Provide sustainable water and sanitation services.

Project Value: US $77 million
Preparation Support: Project Preparation support for the development of a bankable business case.

Amatola Bulk Water Augmentation

The expansion of wastewater treatment plant to a capacity of 80Ml/d to address the current and future deficiencies in the wastewater conveyance systems to facilitate the delivery of key residential developments aligned with the City's growth strategy and mitigate the risks associated with a lack of capacity. Provide sustainable water and sanitation services.

Project Value: US $379,4 million
Preparation Support: Project Preparation support for the development of a bankable business case.

Lanseria Smart City

The Lanseria Smart City project presents a unique opportunity for investors to participate in the creation of a pioneering urban development, reimagining traditional approaches and establishing a model for future cities. Successful implementation is grounded in the development of reliable bulk infrastructure, encompassing efficient road, rail, and public transport networks; dependable water and sanitation systems;
stable electricity supply; and high-speed internet connectivity. This has been articulated in the completed Greater Lanseria Masterplan.

These essential elements will support existing businesses and residential areas, while also accommodating future commercial and residential investment. Existing partnerships and commitments, including Lanseria International Airport, the Hi-Tech Special Economic Zone, a Cargo Project, and the Mekgareng Oberon Smart City in Madibeng, represent a combined investment of ~$1.6 billion within the node, further underscoring the project's potential.

Project Value: ~$ 1billion
Preparation Support: Bankability studies for investments within the node.

Mangaung Metro Municipality Airport Development Node

The Airport Development Node is a large-scale, mixed-use development being structured as a PPP project. Two phases have been planned for the project. Phase 1 spans approximately 700 hectares, and Phase 2 spans approximately 1100 hectares. The project integrates commercial, residential,industrial, and hospitality precincts into a unified urban node.

Project Value: ~$558 million
Preparation Support: Comprehensive feasibility study and financial structuring

SAEx East subsea cable project

The SAEx-East project entails the construction and operation of a subsea optic fibre cable and is the first phase of the envisaged SAEx-SON (SON = Southern Oceans Network) system. SAEx-SON is designed to provide an all-wet, deep oceans subsea fibre optic cable system located chiefly in the southern hemisphere and linking four continents: taking advantage of the country's strategic location at the confluence of two major oceans (the Indian and South Atlantic) and two major hemispheres – East and West.

The first phase SAEx East cable will connect South Africa with Singapore with two landing stations planned in South Africa, one in Mauritius and one in Singapore with potential furture connections to Reunion Islands, India and Malaysia. SAEx-East will:

- Provide for a safe routing, avoiding the traditionally unstable geo-political areas other subsea cables must cross;
- Offer speed, as it will halve the latency between Africa and Asia.
- Provide strategic diversity and connection optionality for carriers, away from the highly congested northern hemisphere routings.
- Increased Bandwidth (17Tb/s on a fibre pair compared to current total of 450Gb/s on the SAFE cable that will be decommissioned in 2027) that will move SA from a regional hub (edge location) to international hub capability that will attract additional DCs and hyperscalers.

QuickFacts

Project Capital Value
$433 million

Project Ownership
SAEx International Management Ltd (100%) & IDC (right to equity up to 49% in project SPV)

Province
Western Cape and KZN (cable landing stations)

Investment Opportunities
Equity participation and /or capacity uptake

Digital Infrastructure

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