

R943bn for infrastructure and major reforms

By [Lindsey Schutters](#)

21 Feb 2024

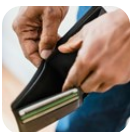
In his 2024 budget speech, Minister of Finance Enoch Godongwana unveiled ambitious plans to overhaul the country's infrastructure financing and delivery system. "Madam Speaker, I am proud to announce that as part of this budget, we are introducing fundamental and far-reaching reforms to infrastructure financing and delivery," Godongwana declared.



Finance minister Enoch Godongwana introduced sweeping reforms to infrastructure financing.

Godongwana detailed the government's plans to invest more than R943bn in public infrastructure over the next three years, to support the refurbishment and maintenance of existing assets and the building of new infrastructure.

He also outlined reforms aimed at streamlining the infrastructure value chain, improving efficiency, and will ultimately aim to attract greater private sector participation.



NHI monthly cost: Are you prepared to foot the bill?

Katja Hamilton 20 Feb 2024



Key reforms

Streamlined public-private partnerships (PPPs) Amendments to the PPP regulatory framework have been gazetted for public comment, aiming to reduce complexity, build capacity, and strengthen governance.

Enhanced institutional arrangements A review of institutional arrangements for "catalytic infrastructure" is underway to establish clearer lines of accountability and collaboration.

Consolidation and efficiency Similar functions will be consolidated to reduce duplication and expedite project delivery, particularly for blended finance arrangements.

New financing instruments The government plans to introduce infrastructure bonds, concessional loans, and potentially a flow-through tax vehicle for specific projects.

Funding window opened Public institutions will soon have access to a new funding window for proposals under the revamped financing system.

Economic growth

Godongwana emphasised the anticipated benefits of these reforms.

"Through these reforms, greater efficiency gains and infrastructure delivery will be fast tracked. This will benefit network sectors, social infrastructure, PPPs and blended finance projects."

This infrastructure spending will boost economic growth, create jobs, and improve the quality of life for millions of South Africans.

ABOUT LINDSEY SCHUTTERS

Lindsey is the editor for ICT, Construction&Engineering and Energy&Mining at Bizcommunity
▪ [Updated] Fire erupts at SunSquare City Bowl near Cape Town heritage building - 6 May 2024
▪ Draft report shows emissions dip, but energy and construction pivotal to deeper cuts - 29 Apr 2024
▪ With e-toll saga closed, infrastructure projects gain momentum - 10 Apr 2024
▪ MeerKAT telescope casually makes 49 new galaxy discoveries - 28 Mar 2024
▪ SpaceX's Starship launch offered a glimpse into the future - 26 Mar 2024

[View my profile and articles...](#)

For more, visit: <https://www.bizcommunity.com>