

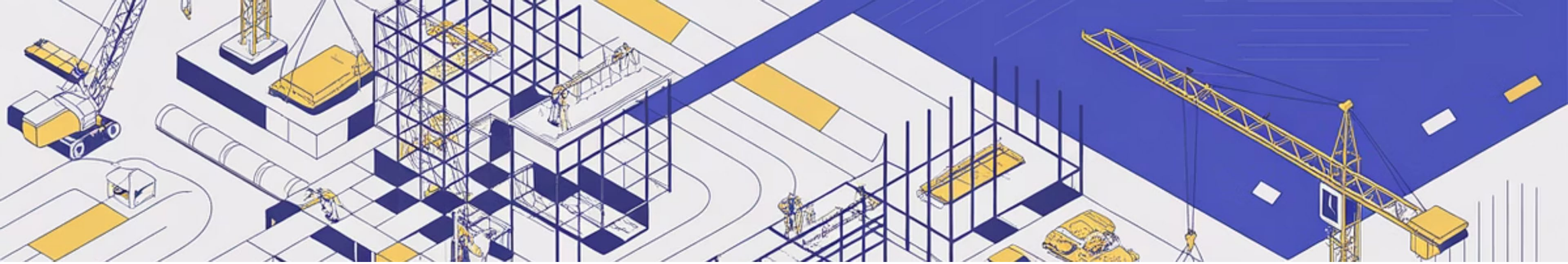
Unlocking South Africa's Real Economic Growth and Transformation Through Infrastructure

A Scene-Setting Perspective on Infrastructure as a Driver for Economic Transformation

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South Africa's Infrastructure Deficit: The Numbers Don't Lie

\$130B

Annual Infrastructure Needs

Africa's infrastructure investment requirement

\$60B

Annual Financing Gap

Critical shortfall in available capital

2%

GDP Growth Constrained

Economic potential limited by infrastructure

32.5%

Unemployment Rate

South Africa's pressing employment crisis

Government budgets cover only 40% of infrastructure needs. Less than 10% of 130+ transnational projects are under construction—the execution gap is as critical as the financing gap.

Why the Gap Persists: Financing, Execution, and Maintenance



Financing Shortfall

Capital allocation constraints limit project viability



Execution Challenges

Only 10% of projects under construction



Maintenance Crisis

Inefficient use of existing infrastructure assets



Sectoral Imbalance

73% of shortfall concentrated in transport

Transport & Logistics: Unlocking Trade and Regional Connectivity

Transnet PSP Concessions

ZAR 60-80bn private investment opportunity through strategic partnerships

Rail Freight Volumes

Target: Double capacity from 142MT to 250MT by 2030

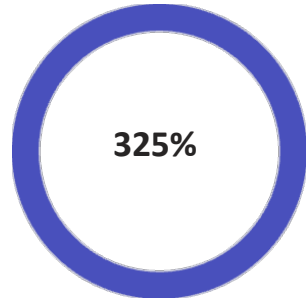
Private Sector Investment

ZAR 100bn+ over next decade, ZAR 7-9bn per major commodity corridor

Transport accounts for 73% of Africa's infrastructure financing shortfall. The AfCFTA requires USD 32bn annually in transport and logistics to unlock regional trade potential—South Africa's position as a gateway makes this both urgent and strategic.

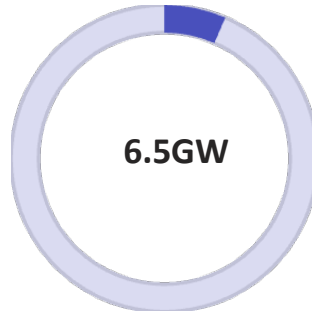


Energy: From Crisis to Catalyst for Growth



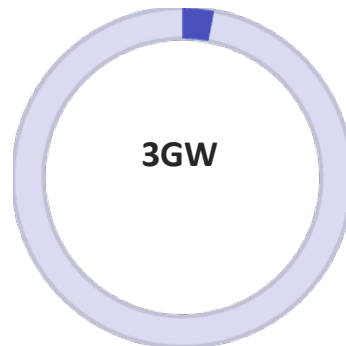
Transmission Lines Increase

14,218 km needed to support growth



Added to Grid in 2024

African renewable capacity expansion



SAPP Power Deficit

Regional opportunity for investment

Investment Requirements

Eskom's Transmission Development Plan requires ZAR 400bn in total investment. The private sector is positioned to fund approximately ZAR 70bn over the next decade.

The energy transition represents more than crisis response—it's a catalyst for job creation, industrial competitiveness, and sustainable growth across Southern Africa.



Water & Sanitation: Infrastructure for Inclusive Growth

40% Lack Safe Water

Africa's population without access to safe drinking water—60% in Sub-Saharan Africa

Water Partnership Office

Supporting development of bankable water infrastructure projects across the continent

Credit Guarantee Vehicle

De-risking infrastructure investment through innovative financial instruments

Water infrastructure addresses spatial inequality at its foundation. The Water Reuse Programme and Credit Guarantee Vehicle create pathways for scaled implementation—turning water security from constraint to economic enabler.

Digital Infrastructure: Connecting South Africa to the Future Economy

Data Centre Market Growth

Reaching USD 1.17bn by 2030 with a CAGR of 18.6%—one of the fastest-growing infrastructure segments in South Africa.



IT Capacity Expansion

Growth from 501 MW (2025) to 963 MW (2030)—14% CAGR driven by cloud adoption



Mobile Infrastructure

Towers expanding from 25,000 (2022) to 34,140 (2030F)—4.6% CAGR



Urbanization Driver

4% annual urban growth fueling connectivity demand and digital inclusion

Digital infrastructure enables economic participation. With 94% of data center revenue from colocation, this sector demonstrates private capital's appetite for well-structured infrastructure investments.

Financing the Future: Innovative Capital Solutions for Infrastructure

01

Blended Finance

Strategic combination of public and private capital to optimize risk-return profiles

02

Public-Private Partnerships

Risk-sharing models that align incentives and leverage private sector efficiency

03

Infrastructure Debt Platforms

Mobilizing institutional capital through structured, investment-grade opportunities

04

Green & Climate-Linked Instruments

Sustainability-focused financing attracting ESG-aligned capital pools

05

Guarantees & Risk Mitigation

De-risking early-stage projects to unlock commercial investment at scale

Financing innovation is about structuring risk, not just finding money.

From Steel and Concrete to Lives Transformed

Prioritizing Human Outcomes

Service delivery and quality of life over physical assets alone

Reversing Spatial Inequality

Integrated planning and transit-oriented development for inclusive cities

Job Creation & Skills Development

Local procurement, SMME participation, and training pipelines

Future-Proof Infrastructure

Renewable, water-efficient, and climate-adaptable by design

Infrastructure delivers reliable access, reduced inequality, affordable services, job creation, and empowered communities. The transformation is measured not in concrete poured, but in lives improved.



Infrastructure Investment: The Catalyst South Africa Needs Now



Accelerate Bankable Project Development

Move from planning to construction—execution is the bottleneck, not ideas



Mobilize Private Capital at Scale

Deploy innovative financing, risk-sharing mechanisms, and structured PPPs



Prioritize Transformation & Inclusion

Ensure infrastructure delivers measurable social impact and economic empowerment

Infrastructure investment is not just about economic growth—it's about economic transformation.

The opportunity is now. The capital exists. The need is urgent. The only question is whether we act with the speed and scale this moment demands.