

President Highlights Importance of Infrastructure Development

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Johannesburg, 26 September 2018: On Friday, President Cyril Ramaphosa announced his plan to establish a public-private infrastructure fund as part of the nation's recovery plan in an effort to revive the nation's sluggish economy after the country entered a recession in the second quarter of this year. "With a view to unlocking the potential to create more jobs on a large scale, we have decided to set up a South Africa Infrastructure Fund, which will fundamentally transform our approach to the rollout, building and implementation of infrastructure projects," Ramaphosa said.

The South Africa Infrastructure Fund would be established without delay, backed by members of the public and private sectors proficient in project design, engineering and project management. It is projected that over the following three years, an approximate amount of R400-billion will be assigned to public infrastructure projects.

"We will use it (US\$30.8 billion) to leverage additional resources from developmental finance institutions, multilateral development banks and private lenders and investors," the President said. Through the fund, he said more focus will be spent on efficient and effective use of resources with regards to infrastructure spend. Ramaphosa ascertained that the fund would be a "blended finance" instrument, including both equity and debt.

The CEO Initiative openly accepted the proposed South Africa Infrastructure Fund, as it stands as an opportunity to create a more investor-friendly climate. "If implemented with urgency, we believe these changes will significantly aid our shared goal of sustainable and inclusive growth," co-convenor **Jabu Mabuza** said. He agreed that the plan will render the amendments required for optimal economic performance successful.

In light of the president's announcement on Friday, the timing of the Infrastructure Africa Business Forum, to be held at the Sandton Convention Centre on the 9th and 10th October 2018, is impeccable. With the stimulus and recovery plan giving precedence to infrastructure expenditure on expansion and maintenance, this has the potential to contribute to mass job creation, attract investment on a domestic and international scale as well as build a strong foundation for sustainable economic expansion.

The Infrastructure Africa Business Forum serves as a respected platform for stakeholders in South Africa and the continent's infrastructure development sector to unpack growth opportunities, the latest infrastructure trends and incentives as well as to interact and partner with relevant contacts in the industry.

The agenda of the event includes a dynamic offering of engaging sessions discussing a range of thought-provoking topics, amongst which are attracting infrastructure funding; the role of state-owned enterprises; infrastructure partnerships; improving project bankability; digitisation in Africa as well as transforming Africa's transport and logistics infrastructure.

The event will divulge how industry players can access capital and secure finance to develop infrastructure projects. These discussions will unpack funding options to encourage investment in Southern Africa's infrastructure facilities, assisting them to initiate and execute potential projects. Several conditions must be met by entrants in order for businesses to retrieve these funding opportunities and the event will serve as a stage from where to educate potential applicants thereof. Furthermore, experienced industry experts will inform stakeholders on capitalising on opportunities and managing threats within the sector whilst proactively executing strategies to safeguard its competitive advantage and increase profits through adopting digitalisation of infrastructure technologies.