

Eskom Overview & National Development Plan SIPs

2013 CESA Annual Conference – 12/11/2013

Poobie Govender, General Manager, Strategic Projects, Eskom



1. Eskom at a Glance

1.1 About Eskom

1.2 Eskom Capital Programme

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2.1 National Development Plan and Government's Infrastructure Plan

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3. SIP 01

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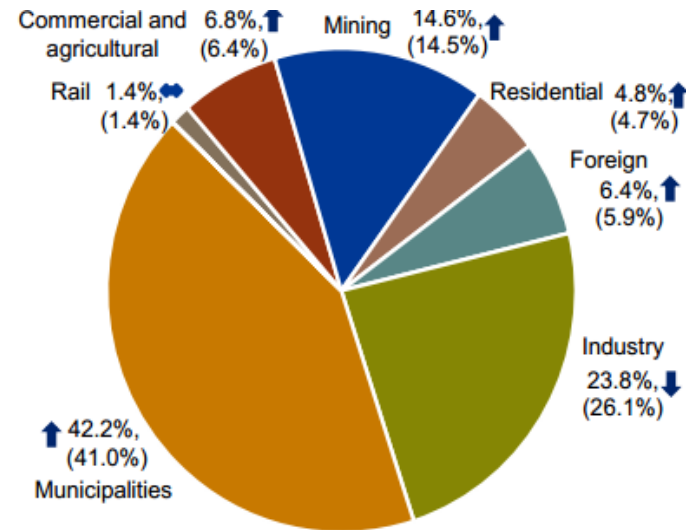
3.3 Impact

3.4 Challenges

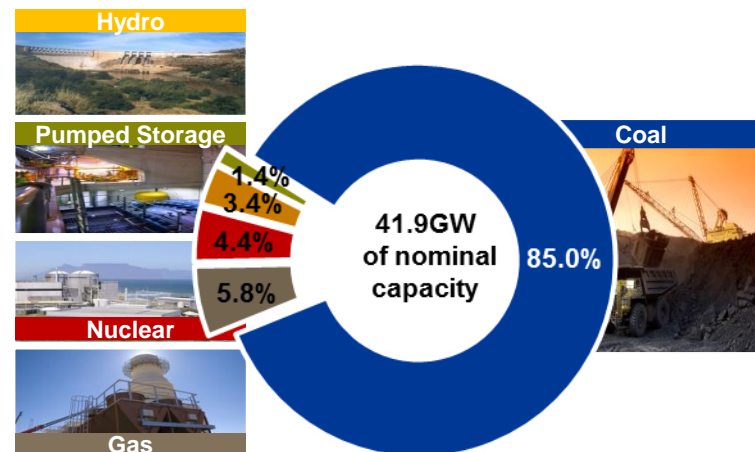
4. Making a Real Difference on the Ground

- Strategic **100% state-owned electricity utility**
- **Top-15 electricity utility**, Africa's largest electricity utility
- Supplies approximately **95% of South Africa's electricity**
- **Operate and maintain 27 power stations** with a capacity of 43.5 GW
- Electricity **price ranked 4th lowest** by NUS consulting
- Electricity sales of 216 561GWh (2012:224 785GWh) and electricity revenues of R126.7 billion (2012: R113.0 billion) *[year ending 31 March 2013]*
- As at 31 March 2013 :
 - **46 266 group employees** (2012: 43 473)
 - **5.0 million customers** (2012: 4.9 million)
 - Net maximum generating capacity of 41.9GW (2012: 41.6GW)
 - 373 280km of cables and power lines
 - 17.1GW of new generation capacity by 30 September 2018; 6.0GW already commissioned
- Voted **one of the most desired companies to work for** in 2013 *Sunday Times* survey
- **R300 billion new build program has created 35 000+ direct jobs**; 45% filled by local to site workers

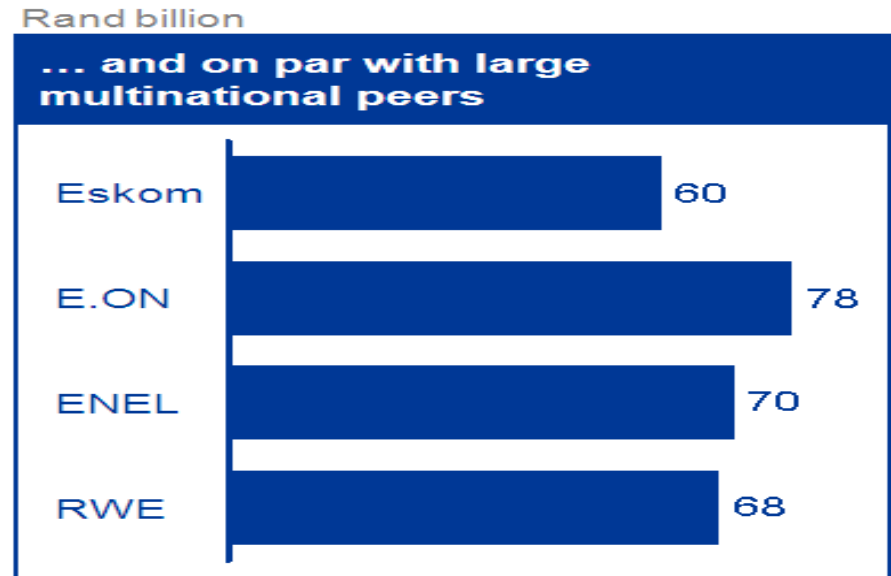
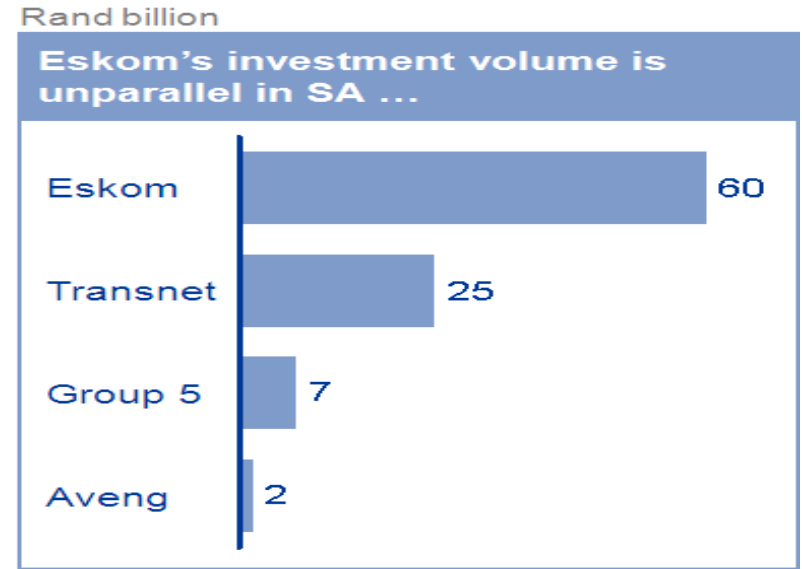
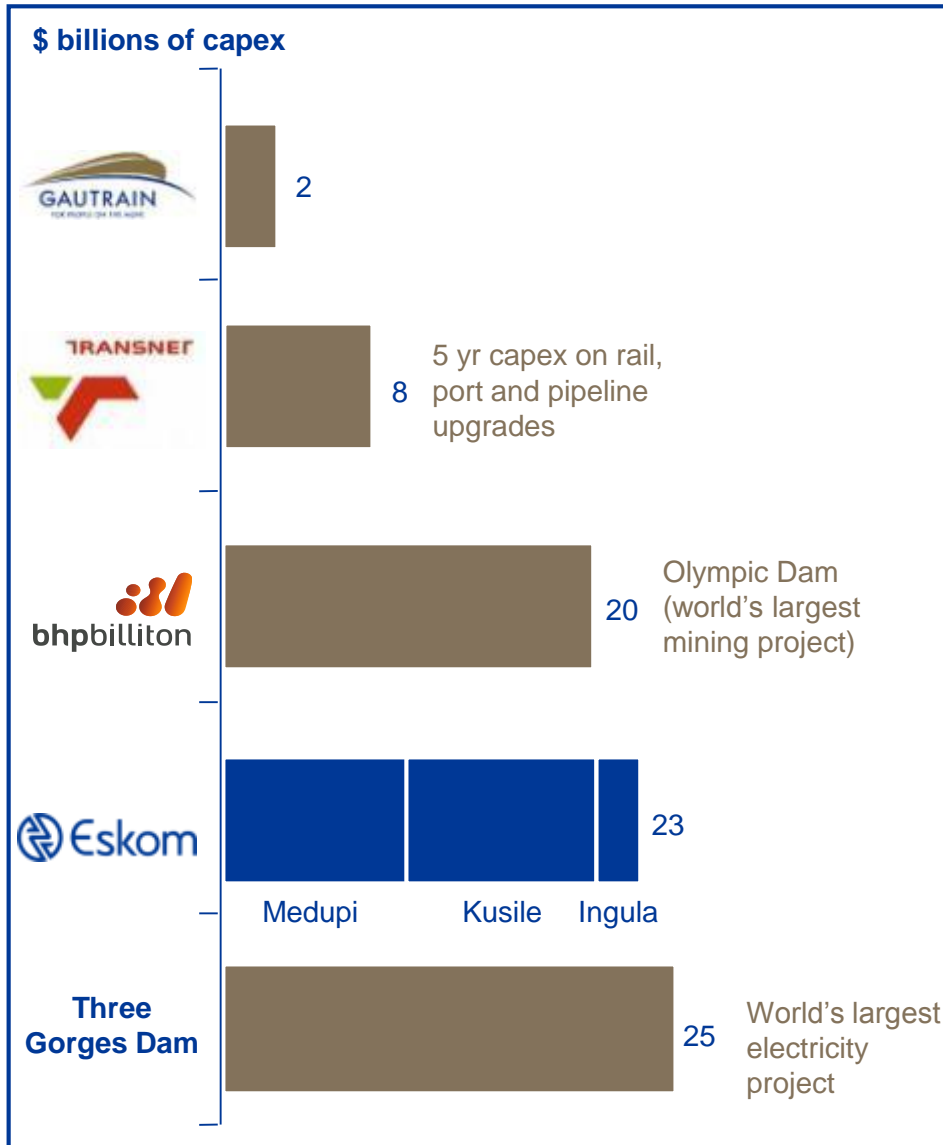
Eskom Electricity Sales by Customer for FY 2013 Compared to Previous Year End



Eskom Generation Capacity – FY 2013



Eskom's new build programme ranks among the world's largest construction projects

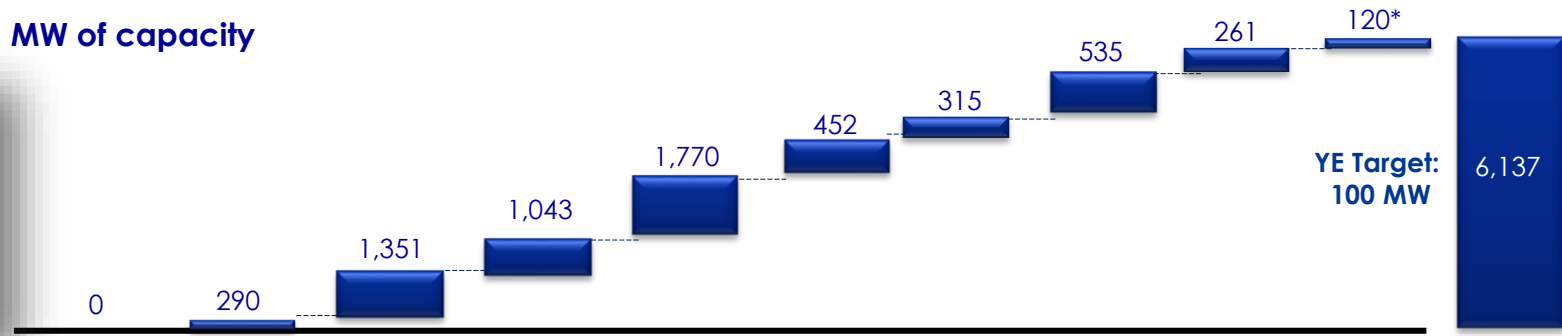


Annual average spend between FY11/12 and FY16/17

Much construction work has been completed

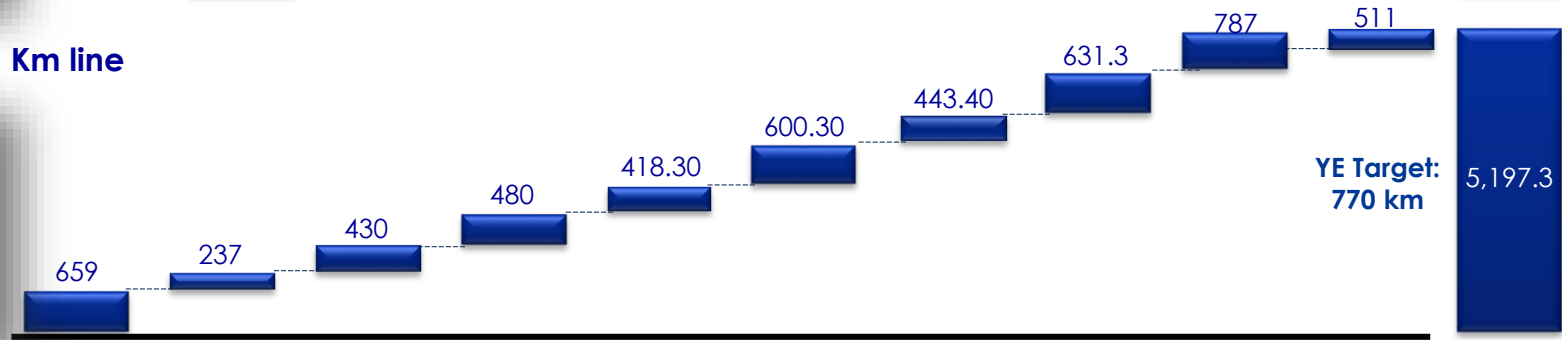
Megawatts

MW of capacity



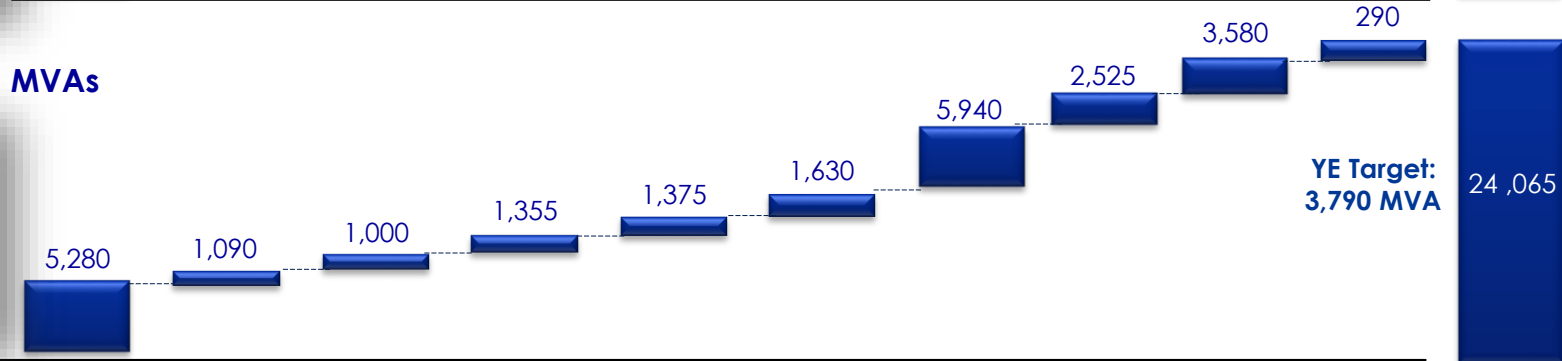
Transmission

Km line



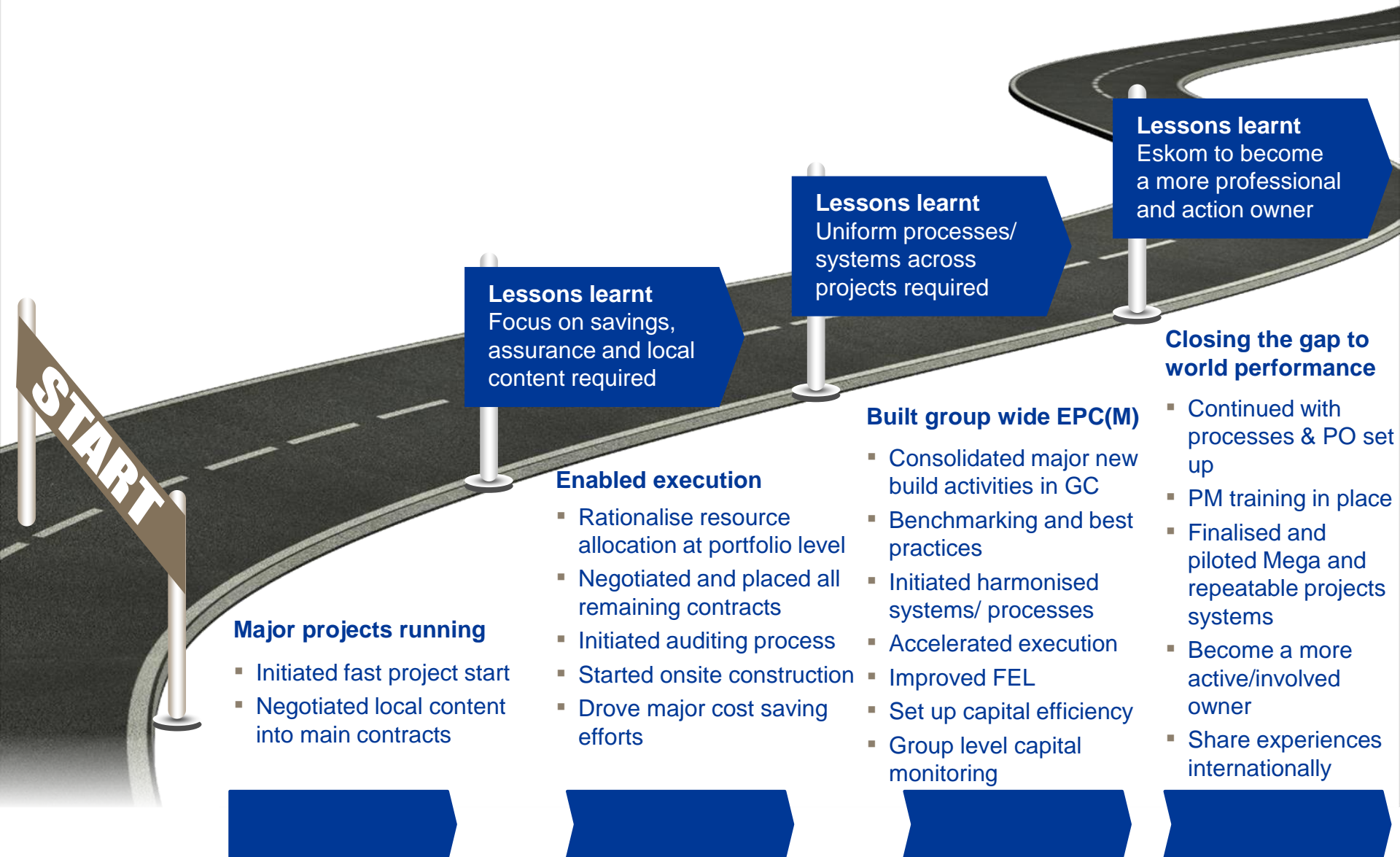
Substations

MVAs



FY 2004/5 FY 2005/6 FY 2006/7 FY 2007/8 FY 2008/9 FY 2009/10 FY 2010/11 FY 2011/12 FY 2012/13 FY 2013/14 Total

Eskom's capital projects journey thus far



Lessons learned are structured around three pillars;
more than 500 lessons recorded since inception of
Eskom build programme



Portfolio-level capital allocation

Effective project 'scrubbing' methodology

Project ranking methodology

Scrubbed and ranked projects have to be clearly prioritised, using fact-based considerations of delivery constraints

Project lifecycle management

Project development and engineering

Contracting and procurement

Construction

Contractor management

Commissioning

Enablers

Safety, Health, Environment and Quality

Project Controls

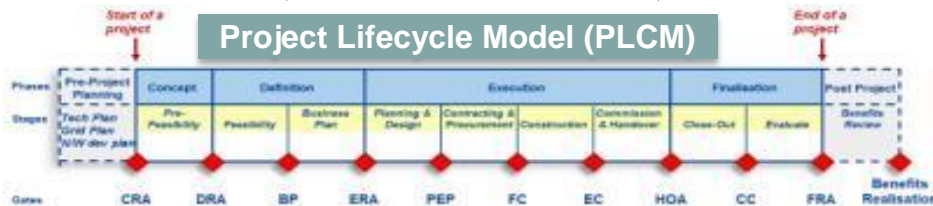
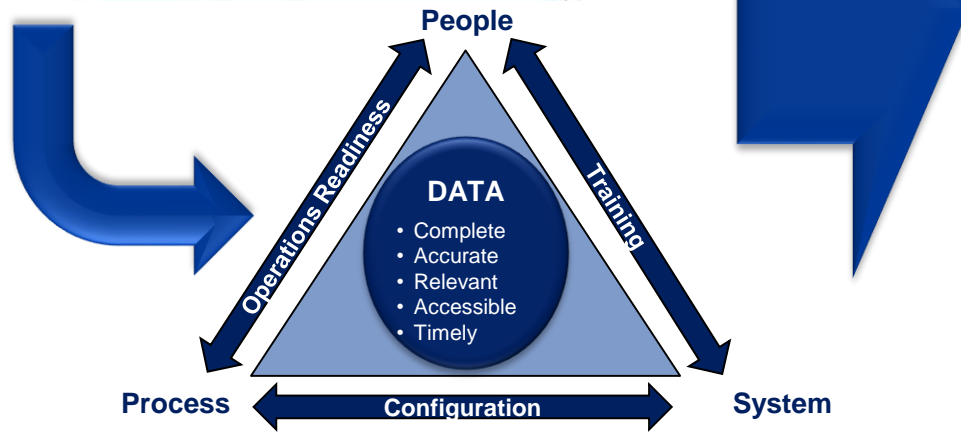
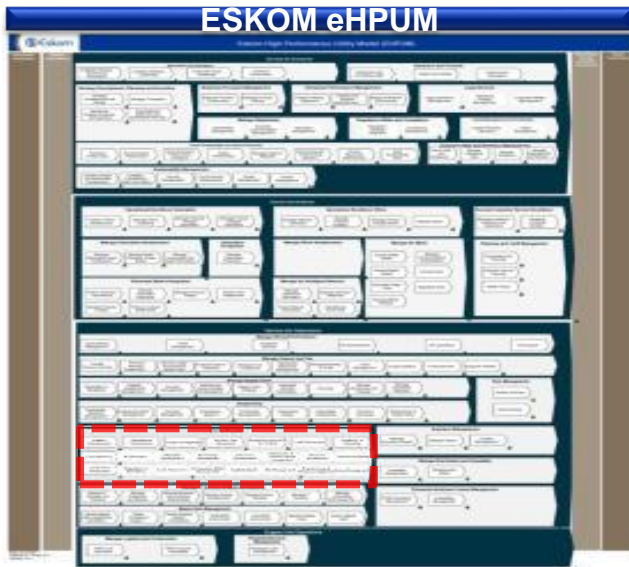
Project Tools and systems

Project Management Office

Organisational structure

Capabilities

Eskom's project management framework



Integrated, standardised and aligned Project Management practices and organisation

Operating Model
One PM operating model - eHPUM

Business Processes
Standardised 22 PCMs PM capability based

Organisation
One standard PM structure reference – 20 PM positions with standardised curriculums

Systems
Standard system platforms – SAP, Primavera, Prism

Assurance
One uniform assurance review approach

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4. Making a Real Difference on the Ground

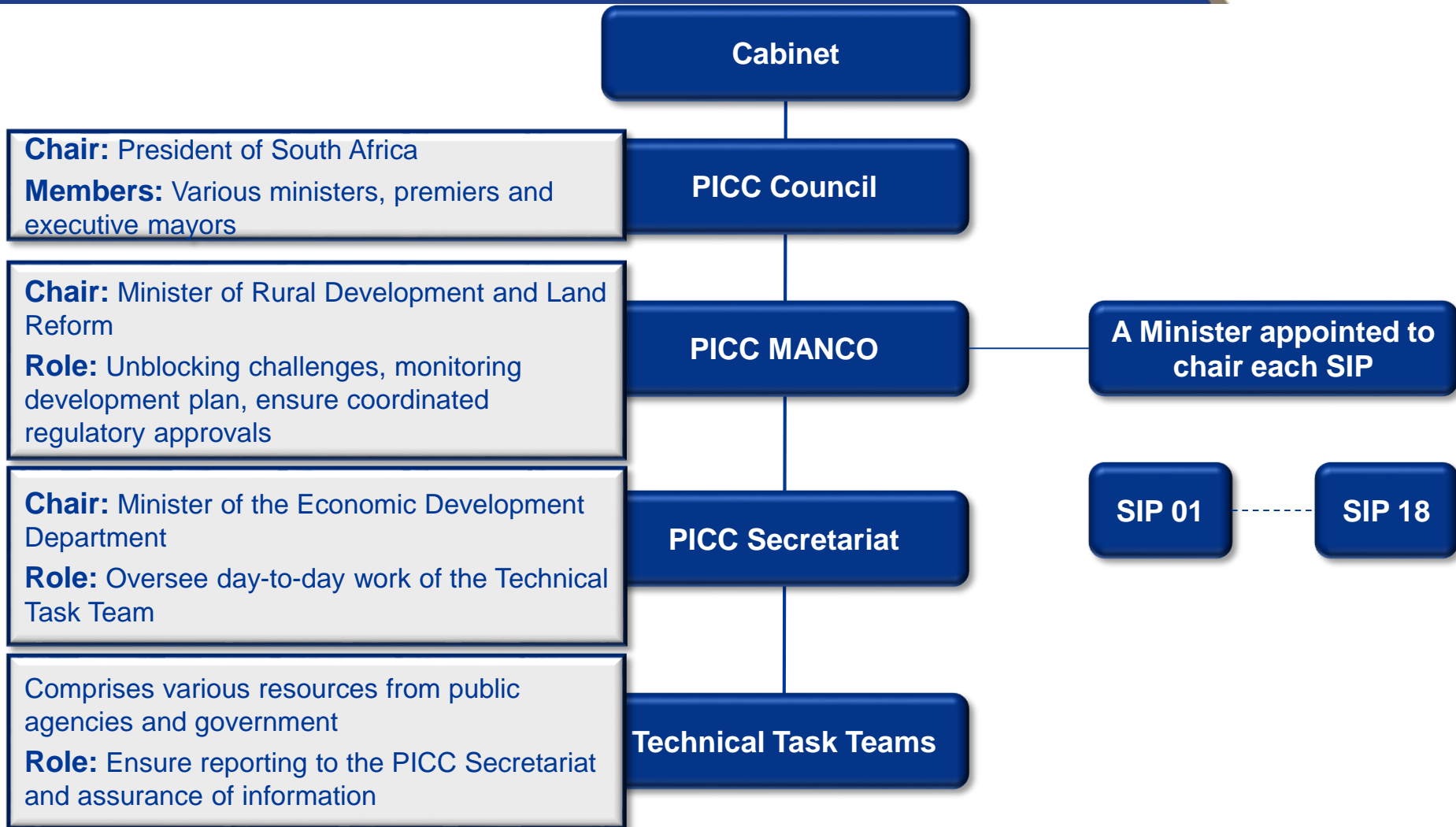
“The National Development Plan aims to **eliminate poverty** and **reduce inequality** by 2030. South Africa can realise these goals by **drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships** throughout society.”

Source: National Development Plan Executive Summary

- Government recently adopted an **Infrastructure Plan** that is intended to transform the economic landscape of South Africa, create a significant numbers of new jobs, strengthen the delivery of basic services to the people of South Africa and support the integration of African economies.
- The aim of the infrastructure plan is to construct new infrastructure, to expedite current projects, to enable and support economic and social development and to improve the maintenance of existing infrastructure.
- In July 2011 Cabinet then decided to establish a body to integrate and coordinate the long term infrastructure build, namely the **Presidential Infrastructure Coordinating Commission (PICC)** with its supporting management structures.
- **An Infrastructure Book** was compiled, which contains information about **infrastructure projects** across the country
- The PICC then developed and approved eighteen **Strategic Integrated Projects (SIPs)** to support economic development
- Each SIP comprise of a large number of specific infrastructure projects.



PICC governance structure

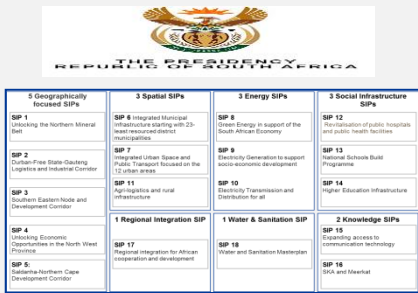


The PICC does not displace the role of the implementing agencies. The individual departments, provinces, municipalities and state owned entities are still responsible for the implementation of the relevant projects

- 5** Geographically-focused SIPs
- 3** Spatial SIPs
- 3** Energy SIPs
- 3** Social Infrastructure
- 2** Knowledge SIPs
- 1** Regional Integration SIP
- 1** One Water & Sanitation Masterplan SIP

- The PICC has appointed a State Owned Company (SOC) to lead each SIP, the intent being to:
 - **Ensure project focus**
 - **Improve project co-ordination and quality** (development and construction) through the use of standardised and proven methods and tools
 - **Improve progress tracking** through the use of standardised dashboards and common information technology systems
 - **Raise decisions required to unblock progress** to a ministerial and presidential level
 - The **creation of the asset remains the accountability of the asset owner** e.g. transmission infrastructure remains with Eskom, rail with Transnet Freight Rail and water with Department of Water Affairs.

Eskom's PICC journey



July 2011

PICC is Established

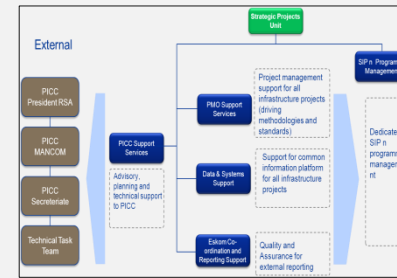
- Presidential Infrastructure Coordination Committee (PICC) is established following Jul 2011 Cabinet Lekgotla
- SOE Projects are clustered into 18 SIPs covering transportation, telecommunication, energy, health and education and water and sanitation



Sept 2012

DPE & PICC Mandate to Eskom

- Minister of Public Enterprises mandates Eskom on the 29th Sept 2012 to lead the SIP 1 programme integration and coordination role and develop a common monitoring platform
- The creation and funding of assets remains the responsibility of assets owners



Oct 2012 & Nov 2012

Eskom starts mandate implementation

- Eskom Exco approves the Strategic Project Department (SPD) structure within the Office of Chief Executive on 26th Oct 2012 to house functions to fulfil the DPE & PICC mandate



Nov 2012 to date

SIP 01 Programme Office Operational

- Integrated team formed with most government entities represented
- Business plan finalised and presented to the PICC
- Project progress reported quarterly to PICC
- Common tool for Project Monitoring developed
- Meetings with business ongoing
- DPE mandated Eskom for integration and coordination of SIPs 9 and 10 (as of Aug. 2013)

Eskom will lead three SIPs and will also have Eskom-related projects in all 18 SIPs

	Roads	Rail	Ports	Water	Energy	ICT	Industrial	Social
SIP 1: Unlocking the Northern Mineral Belt	✓	✓	✓	✓	✓		✓	✓
SIP 2: Durban-Free State-Gauteng Logistics and Industrial Corridor	✓	✓	✓		✓			✓
SIP 3: Southern Eastern Node and Development Corridor		✓	✓	✓	✓		✓	
SIP 4: Unlocking Economic Opportunities in the North West Province	✓	✓		✓	✓		✓	✓
SIP 5: Saldanha-Northern Cape Development Corridor	✓	✓	✓		✓		✓	
SIP 6: Integrated Municipal Infrastructure starting with 23-least resourced district municipalities	✓			✓	✓			
SIP 7: Integrated Urban Space and Public Transport focused on the 12 urban areas	✓	✓		✓	✓			✓
SIP 8: Green Energy in support of the South African Economy					✓			✓
SIP 9: Electricity Generation to support socio-economic development	✓			✓	✓		✓	✓
SIP 10: Electricity Transmission and Distribution for all					✓	✓	✓	✓
SIP 11: Agri-logistics and rural infrastructure	✓	✓	✓	✓	✓	✓	✓	
SIP 12: Revitalisation of public hospitals and public health facilities				✓	✓	✓		✓
SIP 13: National School Build Programme	✓			✓	✓	✓		✓
SIP 14: Higher Education Infrastructure	✓			✓	✓	✓		✓
SIP 15: Expanding access to communication technology					✓	✓		✓
SIP 16: SKA and Meerkat					✓	✓		
SIP 17: Regional integration for African cooperation and development	✓	✓	✓	✓	✓	✓		
SIP 18: Water and Sanitation Masterplan				✓	✓			✓

Table Legend

	Eskom related projects
	SIP Programme Co-ordination

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4. Making a Real Difference on the Ground

SIP 01: Unlocking the country's Northern mineral belt & rejuvenating the mining sector

SIP 01

- Unlock mineral resources
- Rail, water pipelines, energy generation and transmission infrastructure
- Thousands of direct jobs across the areas unlocked
- Urban development in Waterberg – first major post-apartheid new urban centre will be a “green” development project
- Rail capacity to Mpumalanga and Richards Bay
- Shift from road to rail in Mpumalanga
- Logistics corridor to connect Mpumalanga and Gauteng

SIP 01 is the **largest of the 18 SIPs by project value** and is estimated at R803 billion to 2025.

The scope of projects extends into the Limpopo, Mpumalanga, Gauteng and KwaZulu Natal provinces.

A wide range of government departments and State Owned Companies (SOCs) are involved; these include Eskom, Transnet, DWA, TCTA, SANRAL and the DoT.

Approximately **48 projects have been identified** ranging from water to energy to rail to port to road development.

As at Dec 2012, 8 projects were in procurement and construction. The approximate value of these projects is R115 billion and the direct jobs introduced estimated at 28 000.

The working together of national, provincial, local government business and communities is central to successfully delivering on the Infrastructure Plan

Expedited Approvals

Regulatory approvals for items such as water use licenses, land and rights and others impacting infrastructure projects must be expedited.

Effective Communication

On-going communication must be channelled across spheres of government to communities and business, making them aware of progress and activities in their area.

Active Coordination & Capacity building

Bulk cut across provinces and all government entities must integrate and coordinated plans. Capacity building in government and businesses must be proactively managed to plan procure and execute projects

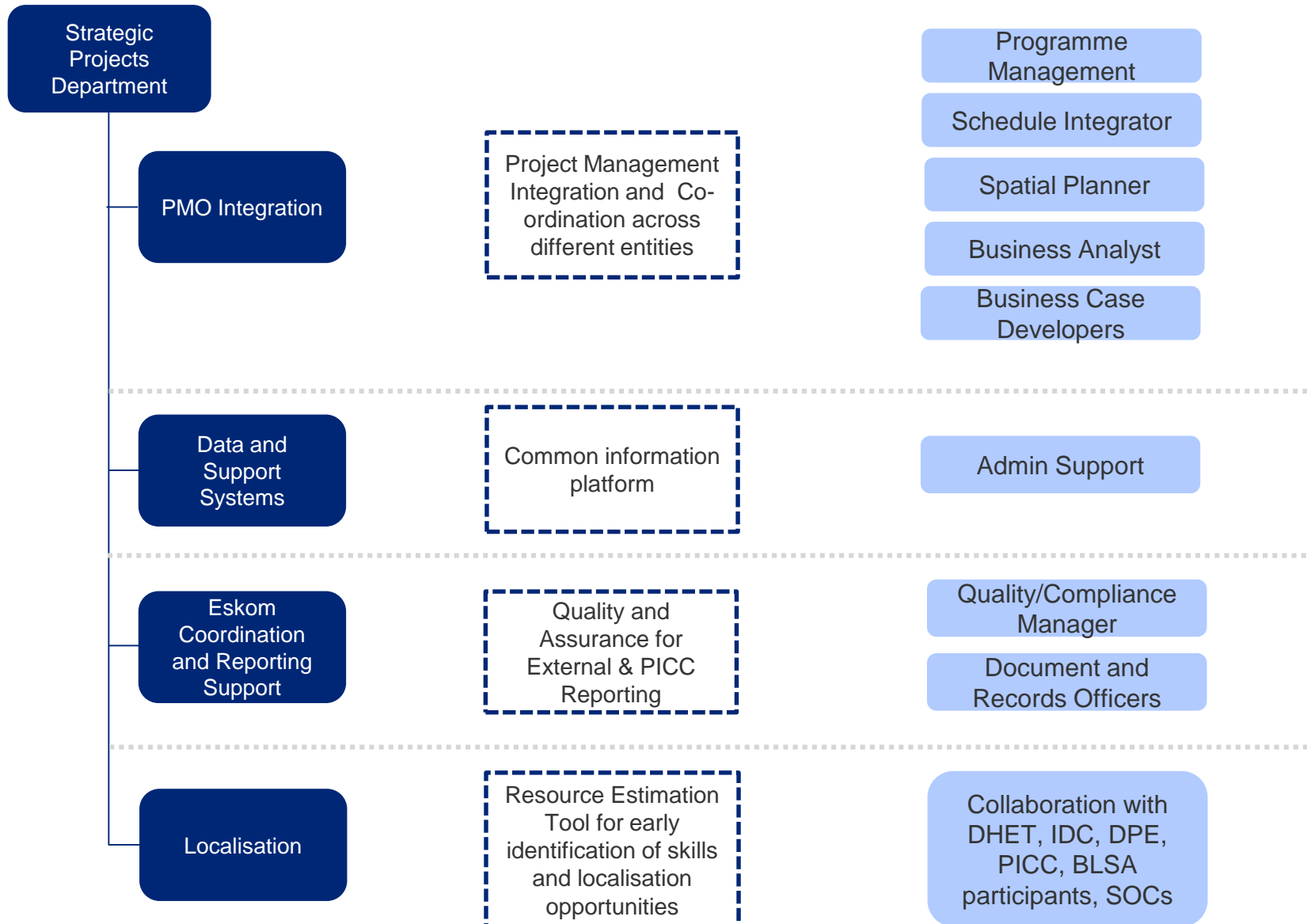
Urban Planning

Municipalities must make provision for additional resources and strengthen local services to accommodate pressure from the mass influx of out-of-town workers and new residents including new businesses. Methods to improve access to land for servitudes required

Ethical Conduct

Underpinning the success of government's infrastructure plan is honesty, fair practice and avoiding corrupt behaviour.

We set up a PMO in Eskom to programme integrate, coordinate and report on the SIP



All relevant SOEs represented in the SIP01 SOE team in monthly collaboration & progress sessions



DPE Mandate for Programme Management of SIP 01 received on 29th September 2012

Business plan completed and submitted to shareholder and PICC in Dec 2012

Multiple government entities meet monthly to report project progress and collaborate (includes DPE, DoE, DoT, Limpopo Premiere Office, DWA, TCTA, Transnet, SANRAL, DEA, Eskom, IDC)

As a team we aligned on the scope of SIP 01

Waterberg Development

The Waterberg coal complex in Lephalale is amongst the richest untapped mineral resources in the country and is a source for future coal for energy generation in Limpopo, Mpumalanga and for export to international markets

Steelpoort Development

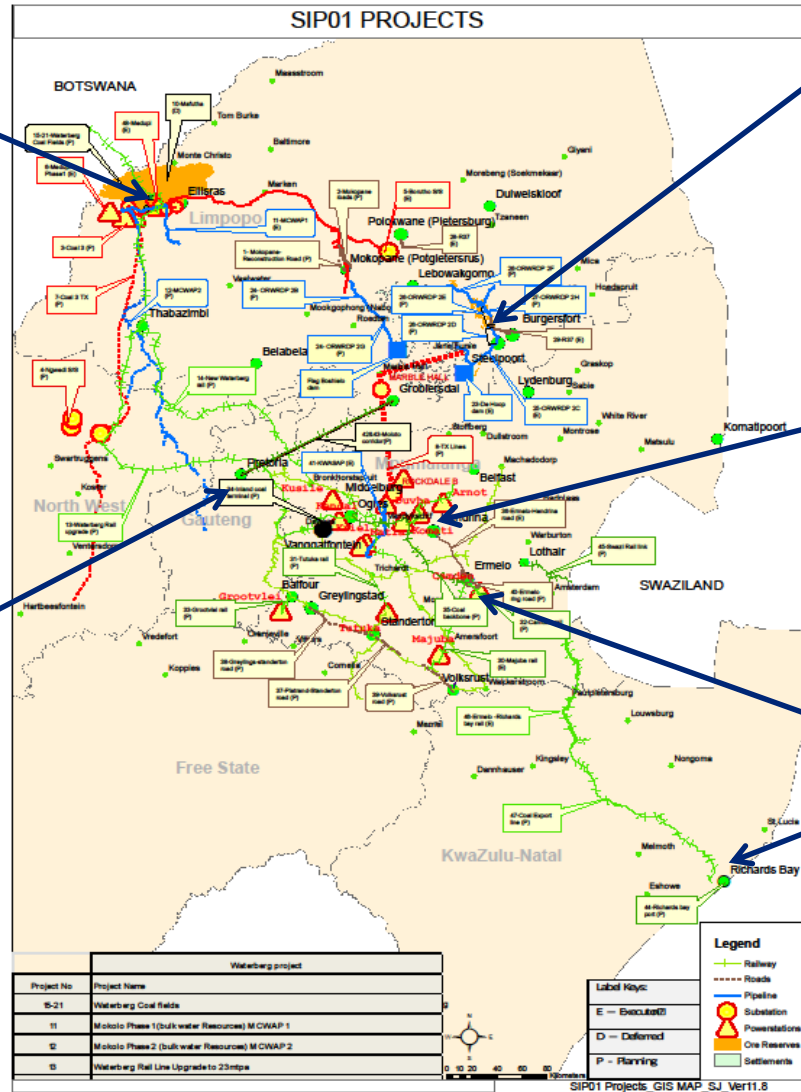
Investment in water infrastructure in Tubatse will unlock the region's rich mineral resources and uplift 2 million people living in dire socio-economic conditions

Mpumalanga Bottleneck Reduction

Mpumalanga hosts the largest number of coal-fired power stations in the country, reliable future coal supply to these power stations will ensure the security of SA's power supply

Export Logistics

International demand for coal is expected to remain high over the long term. This project will increase export opportunities by establishing a more direct route to Swaziland, the Port of Maputo and the Richards Bay Coal Terminal



Moloto Corridor

The Moloto corridor will provide safe and reliable passenger transport from the rural communities of Nkangala and Sekhukhune to Tshwane

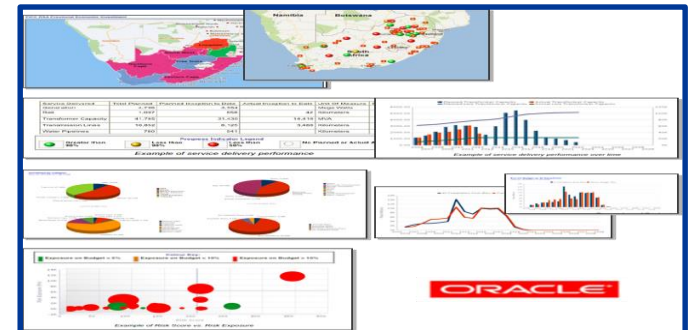
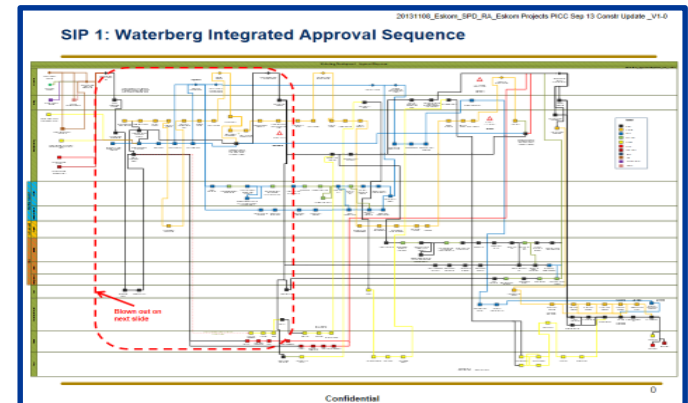
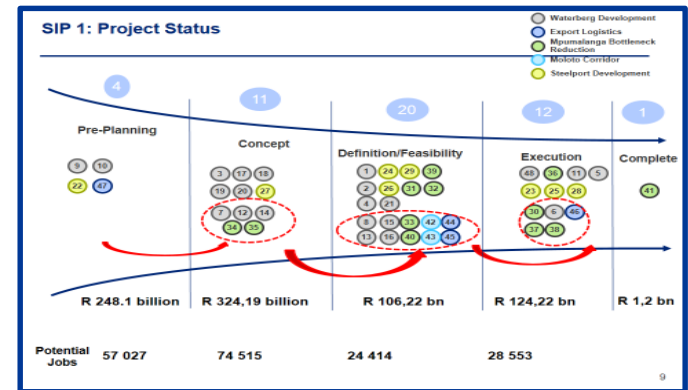
We have made real progress this year

Execution Progress

- ▶ In this year:
 - ▶ The Komati Water Scheme project has been official opened
 - ▶ The De Hoop dam construction is largely complete
 - ▶ R10.2 bn (5 projects) have moved into procurement and execution

Programme Integration, Coordination and Information

- ▶ An integrated plan and regulatory approval sequence for the Waterberg is completed
- ▶ Priority issues are escalated for PICC resolution
- ▶ The Department of Environmental Affairs is working on streamlining environmental and water permit approvals.
- ▶ Common project monitoring tool for tracking progress on all SIPs has been piloted and proven
- ▶ 4th Construction Report prepared for PICC



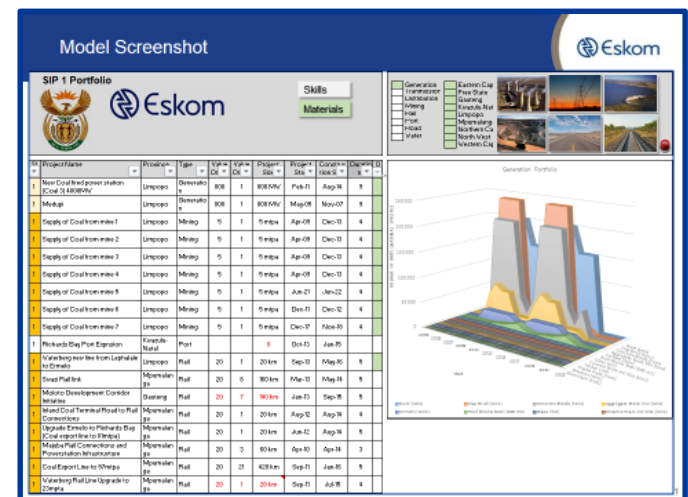
We have made real progress this year

Urban Planning:

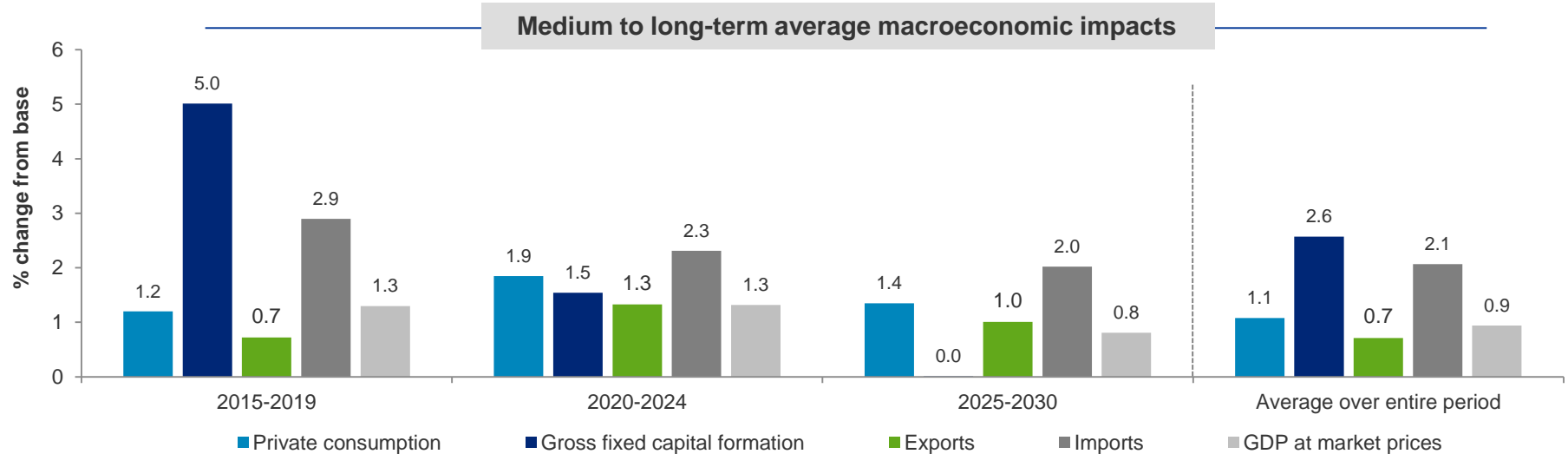
- ▶ Platform to start collaboration with municipality, province and business started

Skills, Commodities and Localisation

- ▶ Resource Demand Estimation Tool to support upfront strategic planning around skills planning and materials and equipment for infrastructure developed.
- ▶ This has been joint effort with BLSA, SOCs and Government departments



Magnitude of economic impacts mirror construction spending profile, benefits persist beyond end of 2026



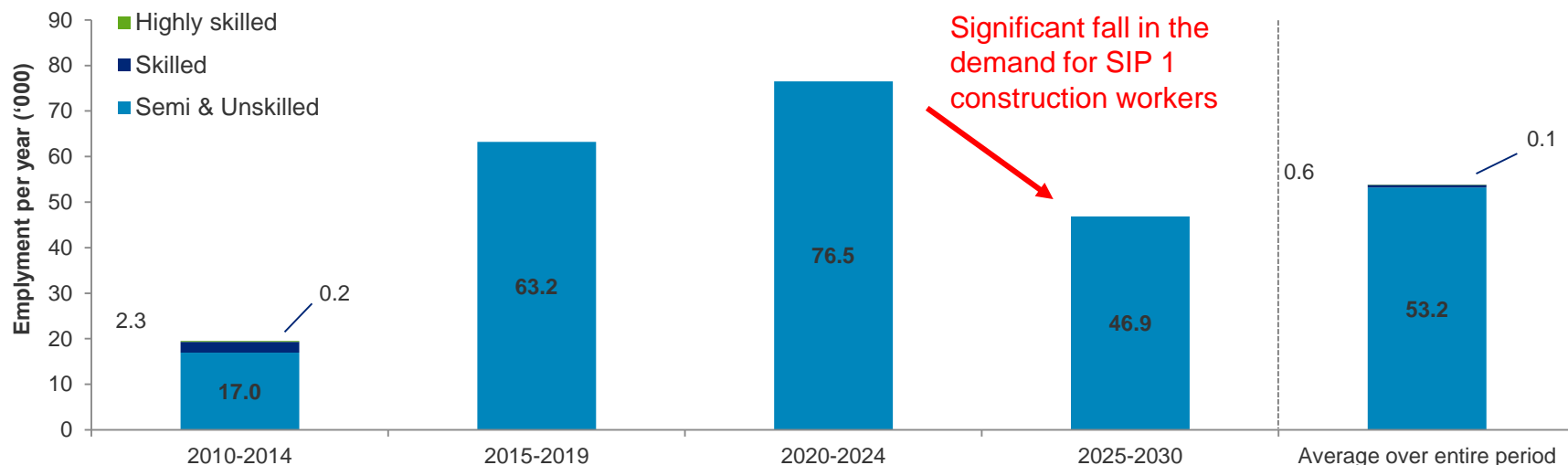
Comments

- GDP grows by an average of 0.9% per year faster than in the baseline scenario showing the significant implications of SIP 1.
- In terms of South Africa's trade balance, imports are expected to exceed exports by a significant margin. As a result, localisation opportunities should be investigated to increase the GDP multiplier associated with SIP 1 spending.
- Despite construction spending ceasing in 2026, GDP still grows at a rate 0.8% faster than the baseline between 2025-2030 showing the lasting impact of the construction spending and enhanced economic growth capacity brought about by more infrastructure.
- In order for this economic benefit to be unlocked through the construction spending, it is crucial that the local/municipal infrastructures in the regions concerned are enhanced to be able to deal with the increased populations and construction activity.

A GDP growth rate on average 0.9% higher than that of the baseline between 2010 and 2030 illustrates the strategic importance of SIP 1 for the South African economy. However, opportunities for localisation should be investigated to improve this impact.

It is expected that the Limpopo and surrounding areas will benefit greatly from the estimated 53,200 job opportunities created for semi- and unskilled workers

Employment Benefits - SIP 1 Construction Phase



Comments

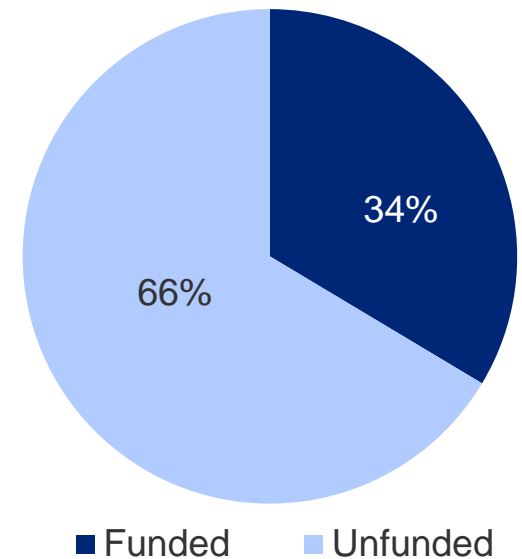
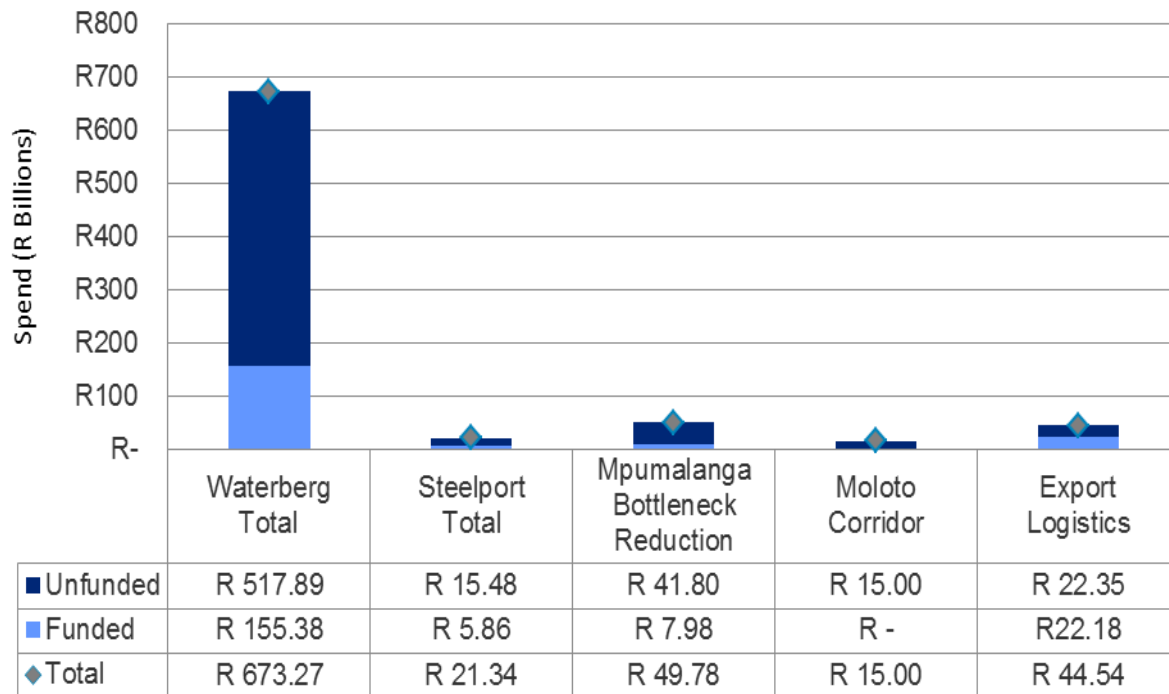
- Employment opportunities increase mostly for individuals falling within the informal or semi- & unskilled categories given the model assumptions and the nature of construction labour resource requirements. (Skilled and highly skilled individuals are more likely to benefit from wage increases rather than an increase in the number of individuals employed).
- After 2020-2024 there will be mass demobilisation of workers. Sustainable solutions will need to be developed to pre-empt this.
- It should be noted that the above figures do not include the additional job opportunities that will be created once these infrastructure projects are completed and move into the operational phases.

Employment benefits are realised even after the investment in construction has ended. These opportunities however are not large enough to prevent the need to demobilise construction workers once construction projects are completed

34% of SIP 01 are already funded

- The SIP 01 programme is estimated to cost around R 803 billion
- 34% of the projects have funding (excl. Project Mafutha)

Funded/Unfunded Spend per SIP 1 Programme



We have made progress on SIP 01 but still have further to go

Working together within the PICC framework, we are bringing together national, provincial, local government, business and communities to deliver on infrastructure

Expedited Approvals

Integrated regulatory sequence

Effective Communication

Focus is currently on alignment within government entities

Active Coordination & Capacity building

Integrated project plans in place and resource estimation tool developed to inform skills gaps and localisation opportunities

Urban Planning

Conversation to assess impacts of large infrastructure projects and people influx has started

Ethical Conduct

Vigilant

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- 4. Making a Real Difference on the Ground**

Communities need to feel benefits and to become involved in protecting these developments



Job Opportunities

Basic Services

Schools

Clinics

Recreational Centres



Medupi has achieved successes in four key areas

Key Area	Achievement
Local to Site Procurement	<ul style="list-style-type: none">• Contracts worth R2.1bn placed with Limpopo based suppliers• Eskom alone placed contracts worth R800m with Limpopo suppliers• 68% of these contracts are with companies owned by black women
Job Creation	<ul style="list-style-type: none">• On-site employment at end June 2013 was 16 006 people• 42.4% of the workforce are Lephale residents• 70.9% of unskilled and semi skilled are from Limpopo province• 6% of the construction workers and 80% of the supporting services are women• 95% of the workforce are South African• 53% of the Workforce are youth (<35yrs old)
Skills and Entrepreneurship development	<ul style="list-style-type: none">• Contractors committed to train 2128 skills development candidates• 1536 already trained• Large number of those are employed by the project• Hitachi invested R24m in the Tlhahlong Training Centre to produce 700 artisans as part of its ASGISA contractual obligations• 404 Artisans are qualified and are employed by Murray and Roberts• 65% of the artisans are from Limpopo• Women constitute 17% of the 404 artisans.
Eskom Funded Infrastructure Development	<ul style="list-style-type: none">• Eskom invested over R40m in sewage and electrical distribution systems in Lephale.• Six mobile schools, teachers and equipment funded• R3bn spent on procurement, housing, electricity, roads, sewerage plants and related infrastructure in Lephale since 2007

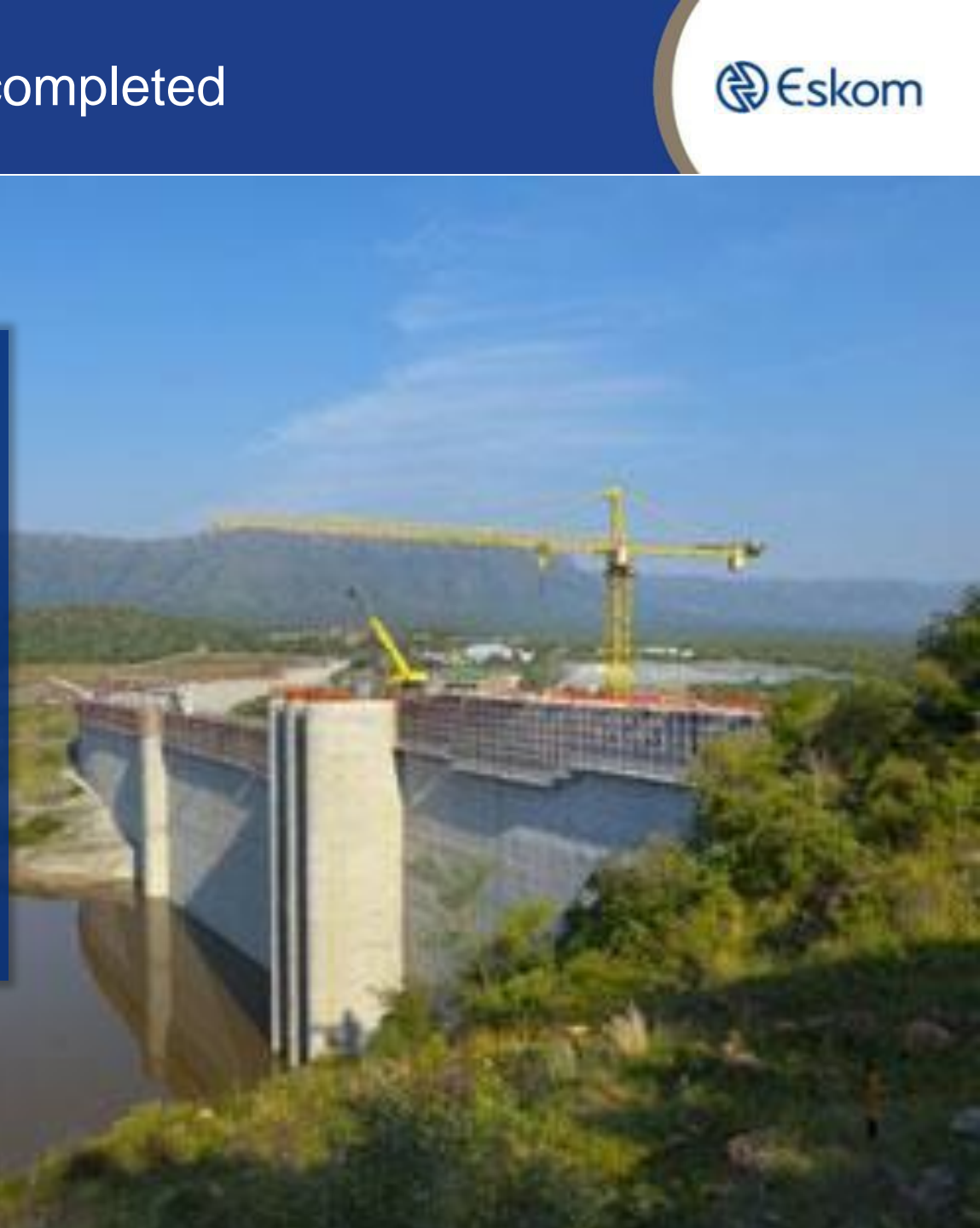
Komati Water Scheme opened



- Komati Water Scheme Augmentation Project is the construction of a new pipeline and pump station from Rietfontein Pump Station to Duvha power station to augment the increase in water demands on the Komati Scheme.
- The project was launched by the Minister of Water and Environmental Affairs, Edna Molewa, on 19 March for National Water Week 2013.

De Hoop Dam largely completed

Construction of the 88m high De Hoop Dam and related infrastructure will supply water to domestic and industrial users in the middle Olifants river catchment area

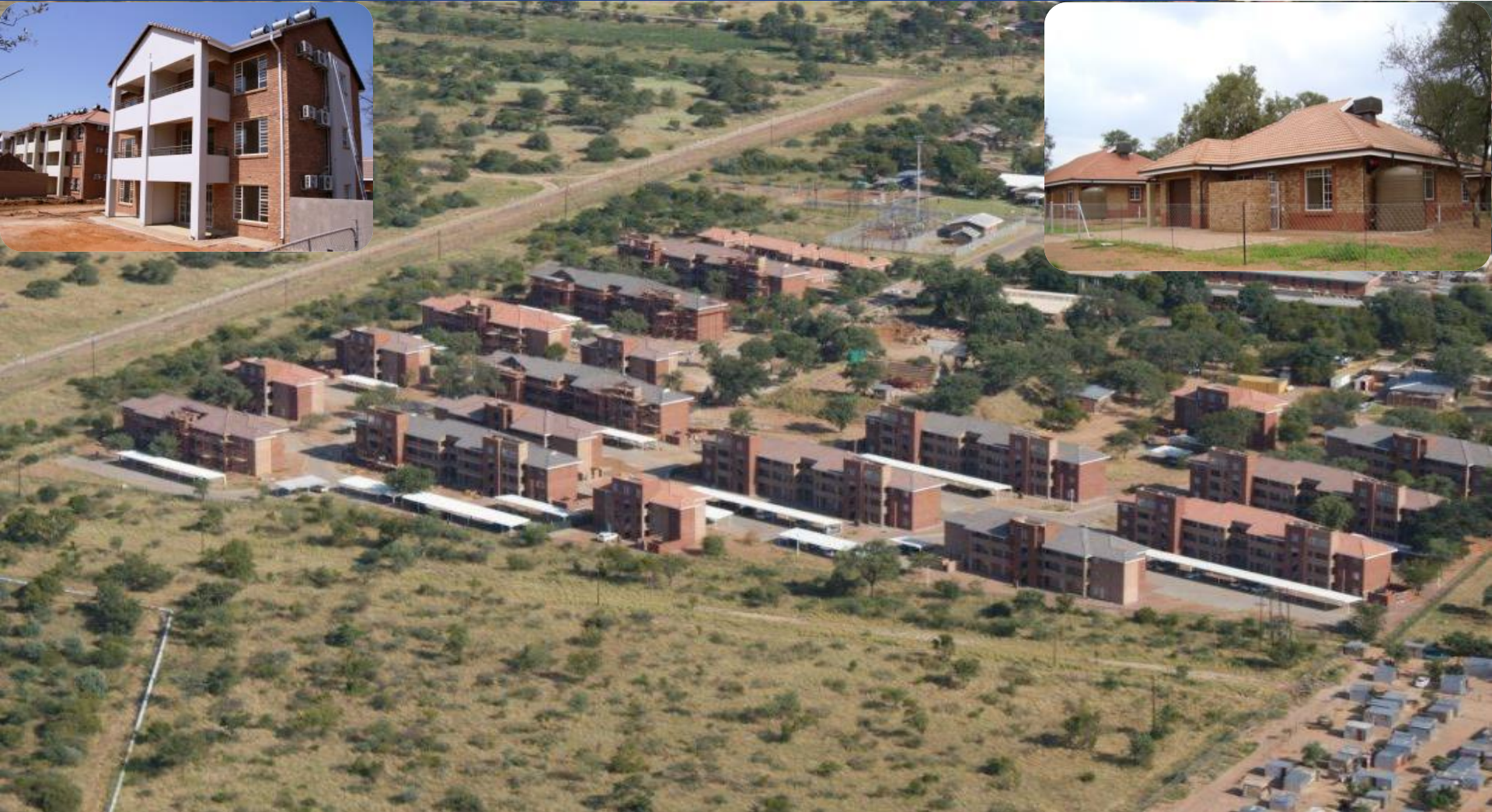


Upgrades to roads



Nelson Mandela Road

New employee housing units



More than 1000 housing units have been completed and 2500+ even have been designed for future projects

Sponsors



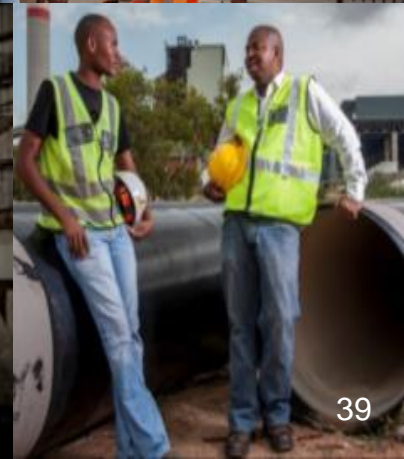
The purpose of this project is to upgrade the current taxi rank in Wells street to the benefit of the entire community



- Paarl WWTW has an installed treatment capacity of 10MI/d
- Plants are experiencing capacity constraints – operational issues are being addressed as a matter of urgency
- ***There is a need to install an additional 10ML/day treatment plant***
- ***Construction is expected to commence post Feb 2015***



Eskom Medupi – ED, CSI, SED and skills development

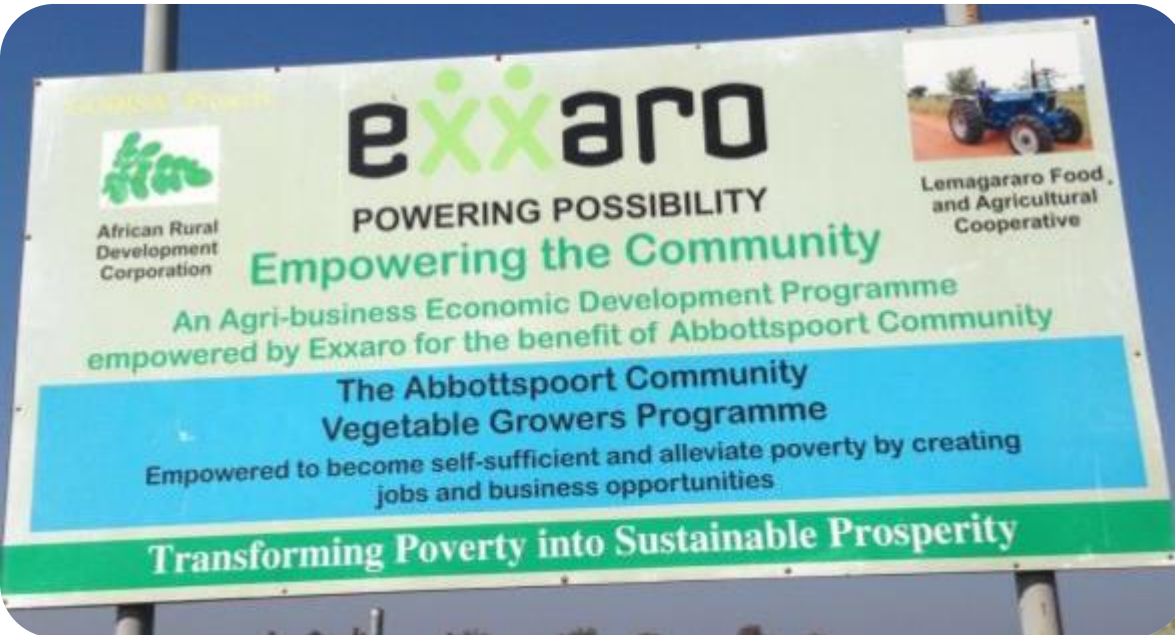


*“Our intention on this project is to empower the local community – Murray and Roberts wants to leave a lasting legacy in Lephalale and implement a project that will go a long way towards addressing the skills shortage in the area. We want to see young people become qualified artisans who will be able to support themselves, their families, and contribute meaningfully to the economic growth of this country”
says de Villiers*



Historical Capital Projects facilitated up to 2012

	<i>PROJECT NAME</i>	<i>VALUE Rm</i>	<i>COMMENTS</i>
1	Water from Mokolo dam – MCWAP1 (LLM impact)	2 100 000 000	In progress
2	Expansion of Zeeland WTW	87 000 000	Completed
3	Marapong Supply Zone 8ML Reservoir	6 000 000	Completed
4	Water Pipeline Zeeland to Onverwacht (750mm)	300 000 000	In progress
5	Lephalale Sewer Treatment plant Paarl (New:10MI)	55 000 000	Completed
6	Upgrading: internal sewer network (4 pump stations)	9 000 000	Completed
7	Sewer treatment plant Marapong upgrade	13 000 000	Completed
8	Refurbish of Paarl Treatment Works	14 500 000	Completed
9	Increase main station capacity (5 MVA Transformer)	11 000 000	Funded by LLM – Completed
10	New Main Sub Station (210FVA) (Funding LG & H)	220 000 000	In progress: COD 4/2015
11	Upgrade Mini-Subs 2 & 3 (Switch gear)	4 000 000	Funded by LLM – Completed
12	Marapong internal roads upgrade (5.5km) Phase 1 (Funding: R5,3m Exxaro; R3,5m LLM)	8 800 000	Completed
13	Marapong internal roads upgrade (5.5km) Phase 2 (Funding: R3,3m Exxaro; R3,5m LLM; R14,8m MIG)	21 600 000	Completed
14	Ring Road	2 700 000	Completed
	TOTAL (Rm) Excluding MCWAP1	752 600 000	



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

Department of Health and Social Development
WATERBERG DISTRICT
STEENBOKPAN CLINIC

Services Provided :

- MCWH & School Health
- Chronic Care
- HIV /AIDS
- Youth & Adolescent Health
- Minor Ailment and Injuries
- Tuberculosis (TB) Diagnose, (treatment & support)
- P.A.P. smears
- Maternity Services
- Chronic Diseases eg. Mental Health,
- Community Home Based Carers
- Diagnose, Treatment and Support
- Maternal Health : Reproductive Services
- Child Health Services
- Youth Services Including School Health
- Mobile Outreach Services
- Social Worker for Social Services
- Environmental Health Practitioner for
- Environmental Health Services
- Diabetes, Hypertension, Epilepsy &
- Asthma as well as the elderly

Time : 07h00 - 19h00
Hour Services

- Multi Purpose Community Centre in Steenbokpan
- Upgrading of school in Steenbokpan

Current clinic facility...

sasol
reaching new frontiers





A school born out of love is a beacon of progress for Lephhalale

Hitachi Power Africa invested a total of R1,25m to Segwati Pre School which was initially used for its construction and the purchase of educational toys. “Helen (the principal) is the reason that school is still standing strong - she is innovative and a beacon of what can be achieved. It is important not only for us, but for the country to work with champions like Helen who are able to take what little they have and get and run with it”, says Pamela Radebe, HPA head of Enterprise Development



87.8 FM



“The frequency beyond the Bushveld”

Reg.# 088-726 NPO

Icasa Licence #: Class/Com/R164/Oct/11

- Business and operational plans are being finalised
- Funding and studio space are required – being facilitated

Other projects planned for Lephalale

- 1 **Truck Stop – temporary and permanent:**
 - Temporary truck stop authorized
 - preparation almost complete and on time for use from July/Aug 2013.
 - Further development of permanent truck stop ongoing
- 2 **Skills development plan:**

Task team developing skills development plan for Lephalale
- 3 **Lephalale university campus:**

Included as part of skills development plan & MLI
- 4 **Lephalale Tourism:**

Lephalale tourism strategy being developed for area to become preferred tourism destination
- 5 **LED issues:**

LAC & Tourism being addressed separately, incubator and Industrial Park included as part of SEZ
- 6 **Environmental Sustainability issues:**

Efforts underway to green the town - negotiations regarding landfill site, recycling, backyard composting, food gardens
- 7 **Social Services issues:** Waste/recycling awareness, Safety/security forums, Marapong clinic take-over, Steenbokpan MPCC



Accelerated growth in the area brings about a wealth of opportunity but with growth comes challenges

- SIP 01 investment brings about a wealth of opportunity and social upliftment.
 - Access to job opportunities
 - Basic services
 - Community developments such as schools, clinics, hospitals and recreational centres
 - New business opportunities will open up through the hype of economic activity in the area and it is open for entrepreneurs to exploit
- With opportunity comes a number of challenges and we require support from community members.
 - Welcome out-of-town workers and new residents
 - Patience in providing infrastructure such as water, sanitation, roads etc. These developments take time and cannot be completed overnight
 - Work with government and business to avoid strike action where possible. Extended strike action hinders progress in the area
 - Assist with family relocation to help prevent progress delays
 - Land access to build infrastructure

A brighter future is only possible with your
patience and support



Thank you

SIP 01 Programme Lead: Poobie Govender (General Manager in Office of the Chief Executive)

SIP 01 Eskom Executive Sponsor: Kannan Lakmeharan (Divisional Executive in Office of the Chief Executive)

Contact details: sipinfo@eskom.co.za

Eskom

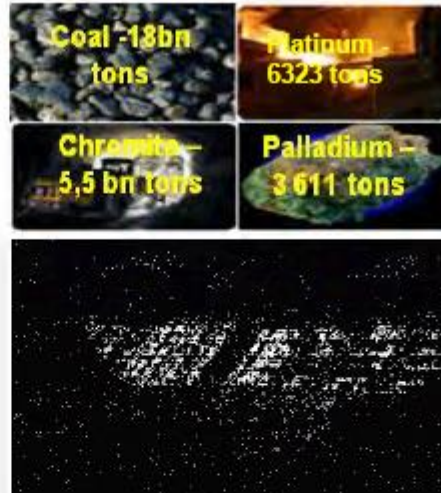
SIP 1: Unlocking the Northern Mineral Belt with Waterberg as the Catalyst

Investment in rail, water pipelines, energy generation and transmission infrastructure will catalyse unlocking of rich mineral resources in Limpopo resulting in thousands of direct jobs across the areas covered. Urban development in the Waterberg will be the first major post apartheid new urban centre and will be a “green” development project.

Mining includes coal, platinum and other minerals for local use and export, hence the rail capacity is being extended to Mpumalanga power stations and for export principally via Richards Bay and in future Maputo (via Swaziland link).

The additional rail capacity will shift coal from road to rail in Mpumalanga with positive environmental and social benefits. Supportive logistics corridors will help to strengthen Mpumalanga’s economic development.

Primary Mineral Reserves



Transnet

SIP 2: Durban- Free State– Gauteng Logistics and Industrial Corridor

Strengthen the logistics and transport corridor between SA’s main industrial hubs; improve access to Durban’s export and import facilities, raise efficiency along the corridor and integrate the Free State Industrial Strategy activities into the corridor and integrate the currently disconnected industrial and logistics activities as well as marginalised rural production centres surrounding the corridor that are currently isolated from the main logistics system.



TCTA

SIP 3: South Eastern node & corridor development

Promote rural development through a new dam at Umzimvubu with irrigation systems and the N2- Wildcoast Highway which improves access into KZN and national supply chains; strengthen economic development in PE through a manganese rail capacity from N Cape, a manganese sinter (NC) and smelter (EC); possible Mthombo refinery (Coega) and transshipment hub at Ngqura and port and rail upgrades to improve industrial capacity and performance of the automotive sector.



SANRAL

SIP 4: Unlocking the economic opportunities in North West Province

The acceleration of identified investments in roads, rail, bulk water and water treatment and transmission infrastructure will result in reliable supply, meet basic social needs and facilitate the further development of mining, agricultural activities and tourism opportunities and open up beneficiation opportunities in the North West Province.

IDC

SIP 5: Saldanha-Northern Cape Development Corridor

Develop the Saldanha-Northern Cape linked region in an integrated manner through rail and port expansion, back-of-port industrial capacity (which may include an IDZ) and strengthening maritime support capacity to create economic opportunities from the gas and oil activities along the African West Coast. For the Northern Cape, expansion of iron ore mining production



IDC

SIP 8: Green Energy in support of the South African economy

Support sustainable green energy initiatives on a national scale through a diverse range of clean energy options as envisaged in the IPR2010 and to support biofuel production facilities.



SIP 10: Electricity Transmission and Distribution for all

Expand the transmission and distribution network to address historical imbalances, provide access to electricity for all and support economic development.

Align the 10-year transmission plan, the services backlog, the national broadband roll-out and the freight rail line development to leverage off regulatory approvals, supply chain and project development capacity.

ESKOM

ESKOM

SIP 9: Electricity Generation to support socio-economic development

Accelerate the construction of new electricity generation capacity in accordance with the IPR2010 to meet the needs of the economy and address historical imbalances.



DBSA

SIP 6: Integrated Municipal Infrastructure Project

Develop a national capacity to assist the 23 least resourced districts (17 million people) to address all the maintenance backlogs and upgrades required in water, electricity and sanitation bulk infrastructure. The road maintenance programme will enhance the service delivery capacity thereby impact positively on the population.



MISA

SIP 7: Integrated Urban Space and Public Transport Programme

Coordinate planning and implementation of public transport, human settlement, economic and social infrastructure and location decisions into sustainable urban settlements connected by densified transport corridors.

ARC

SIP 11: Agri-logistics and rural infrastructure

Improve investment in agricultural and rural infrastructure that supports expansion of production and employment, small-scale farming and rural development, including facilities for storage (silos, fresh-produce facilities, packing houses); transport links to main networks (rural roads, branch train-line, ports), fencing of farms, irrigation schemes to poor areas, improved R&D on rural issues (including expansion of agricultural colleges), processing facilities (abattoirs, dairy infrastructure), aquaculture incubation schemes and rural tourism infrastructure.

SIP 12: Revitalisation of public hospitals and other health facilities

Build and refurbish hospitals, other public health facilities and revamp 122 nursing colleges. Extensive capital expenditure to prepare the public health care system to meet the further requirements of the National Health Insurance (NHI).



SIP 13: National school build programme

A national school build programme driven by uniformity in planning, procurement, contract management & provision of basic services. Replace inappropriate school structures and address basic service backlog & provision of basic services under the Accelerated School Infrastructure Delivery Initiative (ASIDI). In addition address national backlogs in classrooms, libraries, computer labs and admin buildings. Improving the learning environment will go a long way in improving outcomes especially in the rural schools as well as reduce overcrowding.



SIP 14: Higher Education Infrastructure

Infrastructure development for higher education focusing on lecture rooms, student accommodation, libraries and laboratories as well as ICT connectivity. Development of university towns with combination of facilities from residence, retail and recreation & transport. Potential to ensure shared infrastructure such as libraries by universities, FETs & other educational institutions.



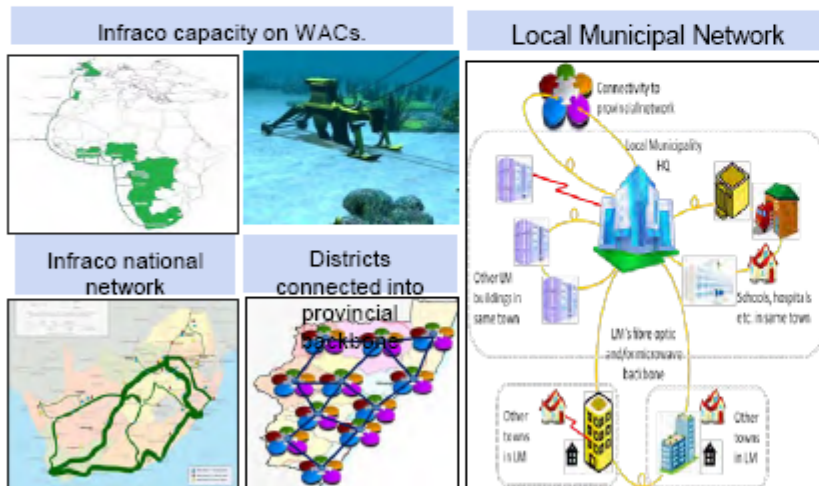
DBSA

CSIR

SKA

SIP 16: SKA & Meerkat

SKA is a global mega science project, building an advanced radio-telescope facility linked to research infrastructure and high speed ICT capacity & provides an opportunity for Africa and South Africa to contribute towards advance science.



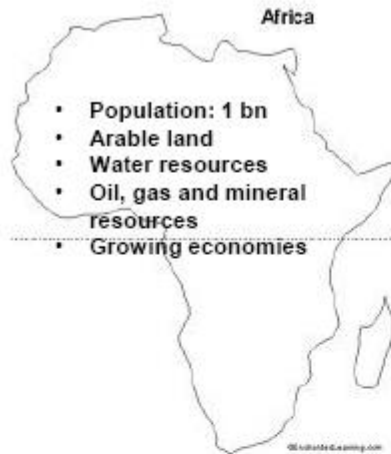
SIP 15: Expanding access to communication technology

Provide for 100% broadband coverage to all households by 2020 by establishing core Points of Presence (POP's) in district municipalities, extend new Infraco fibre networks across provinces linking districts, establish POP's and fibre connectivity at local level, and further penetrate the network into deep rural areas.

While the private sector will invest in ICT infrastructure for urban and corporate networks, government will co-invest for township and rural access as well as for e-government, school and health connectivity.

The school rollout focus initially on the 125 Dinaledi (science and math focussed) schools and 1525 district schools. Part of digital access to all South Africans includes TV migration nationally from analogue to digital broadcasting.

Broadband Infraco



**Bulk water resources:
Lesotho Highlands**



**Transport: Regional
interconnectors**



**Electricity
Transmission:
Mozambique
(Cesul)**



**Hydro Power: DRC
(Grand Inga),
Zambia Lesotho
and Mozambique
(Mphanda Nkuwa)**



SIP 17: Regional Integration for African cooperation and development

Participate in mutually beneficial infrastructure projects to unlock long term socio-economic benefits by partnering with fast growing African economies with projected growth ranging between 3% and 10%.

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The projects involving transport, water and energy also provide competitively priced diversified, short, medium to long term options for the South African economy where for example, electricity transmission in Mozambique (Cesul) could assist in provided cheap, clean hydro power in the short term whilst Grand Inga in the DRC is long term.

All these projects complement the Free Trade Area (FTA) to create a market of 600 million people in South, Central and East Africa.