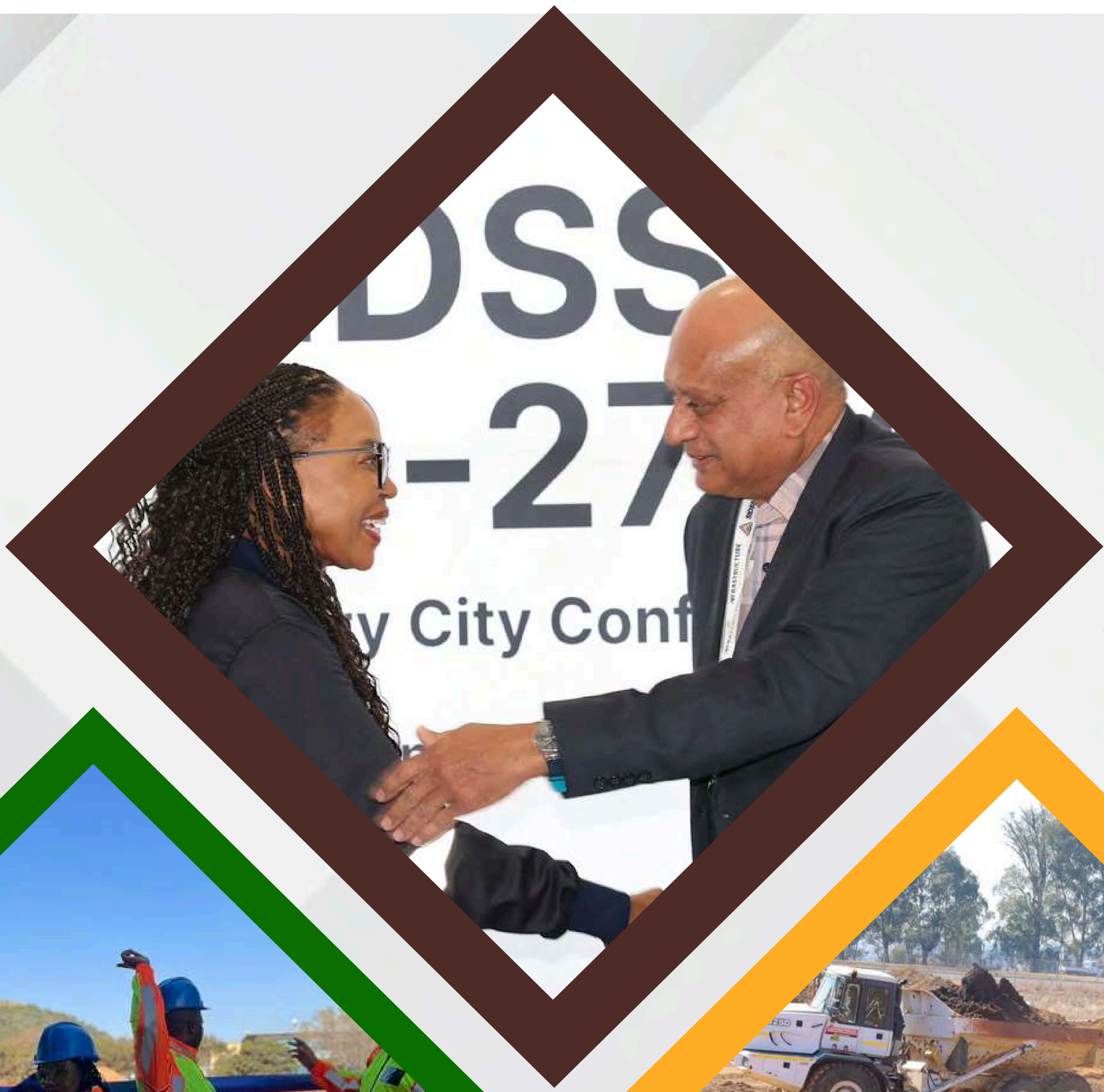
Gauteng Infrastructure Financing Agency

2025 - 2026



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Tripartite departments under the political leadership of MEC Jacob Mamabolo.

The Gauteng Provincial Government (GPG) was reconfigured following the national and provincial elections, which saw a minority government of Provincial unity being joined in GPG. MEC Jacob Mamabolo was appointed as the executive Authority whose responsibility includes the departments of DID, COGTA, and GIFA.

The MEC convened a Tripartite Departmental workshop to give political and operational direction as per the mandate of the 7th administration, whereby it was resolved that a number of priorities should be mapped out, and plans on how to carry out the different programmes per priority should be drawn up.

Different roles and responsibilities for the 3 departments were identified as follows

Bulk Infrastructure, Waste Management and Property Optimisation

Project Readiness Matrix (PRM)

Governance and Intergovernmental Relations.

Ten -point integrates priorities were identified and agreed upon. The role of the 3 departments was agreed upon. The following integrates are:

- Turnaround of Municipalities
- CBD Revitalisation
- Water (Sustainability and Infrastructure)
- Energy (Strategy and Response Plan)
- Indigent Register
- Bulk Infrastructure
- Optimising Government Strategic Assets
- Alexandra Renewal Project
- Cleaning and Waste Management
- Job Creation (Nasi'Ispani)

Various task teams and workstreams were formed as per the ten integrates. The composition of the workstream will have to include all the 3 departments in order to curb the silos approach to addressing various projects.

BULK INFRASTRUCTURE

GIFA AND ISA SIGN MEMORANDUM OF UNDERSTANDING TO BOOST INFRASTRUCTURE IN GAUTENG

Infrastructure South Africa (ISA) and the Gauteng Infrastructure Financing Agency (GIFA) have signed a Memorandum of Understanding (MoU) to accelerate the rollout of key infrastructure projects across Gauteng.

The agreement was signed during the Sustainable Infrastructure Development Symposium South Africa (SIDSSA), which took place from 25 to 27 May 2025. The partnership aims to speed up the planning and delivery of bulk infrastructure by combining funding and support from both the public and private sectors.

This collaboration will focus on unlocking important infrastructure developments in Gauteng, helping to improve roads, water systems, energy supply, and other essential services. GIFA will play a leading role in turning project ideas into detailed proposals that can attract funding from a wide range of investors.

Bulk infrastructure refers to the large-scale foundational systems necessary for the functioning and growth of urban environments. This includes essential services and facilities such as water supply, sanitation and wastewater treatment, electricity provision, roads and stormwater management, and social amenities. These systems are designed to support entire communities or regions, rather than individual properties, providing the backbone for economic development, improved quality of life, and sustainable urban expansion. GIFA currently has 2 ongoing bulk infrastructure projects, namely Vaal River City and Pelzvale Wastewater Project.

The Vaal River City Bulk Infrastructure Initiative

This is a catalytic investment aimed at transforming the Emfuleni Local Municipality and the broader Vaal Region into a sustainable, economically vibrant, and inclusive urban centre. This initiative responds directly to the region's pressing challenges of ageing infrastructure, environmental degradation, service delivery backlogs, and high unemployment, while aligning with national and provincial priorities for infrastructure-led growth and transformation.

The project encompasses the comprehensive upgrade and expansion of bulk infrastructure across water supply, sanitation, electricity, roads, stormwater, and social amenities. It is designed to unlock economic growth, improve the quality of life, and attract significant public and private investment. The initiative is underpinned by a robust socio-economic and fiscal impact assessment, ensuring that all interventions are evidence-based and aligned with the requirements of the Budget Facility for Infrastructure (BFI).

GIFA's role includes assisting ELM with the bulk requirements of the project in terms of water and sanitation, electricity and roads and stormwater. The project entails 6 developments across the municipality with bulk requirements estimated at R4 billion.GIFA is responsible for finalising the business case for BFI funding on behalf of the municipality. The business case for funding will be submitted around the second BFI window.

Key Project Components:

Bulk Water Supply, Sanitation and Wastewater, Electricity Supply, Roads and Stormwater and Social and Community Infrastructure.

Socio-Economic Benefits:

Enhanced Water Security & Quality: Consistent, High-Quality Water Supply, Stability in Urban Environments and Environmental and Resource Management.

Economic Empowerment & Investment Attraction:

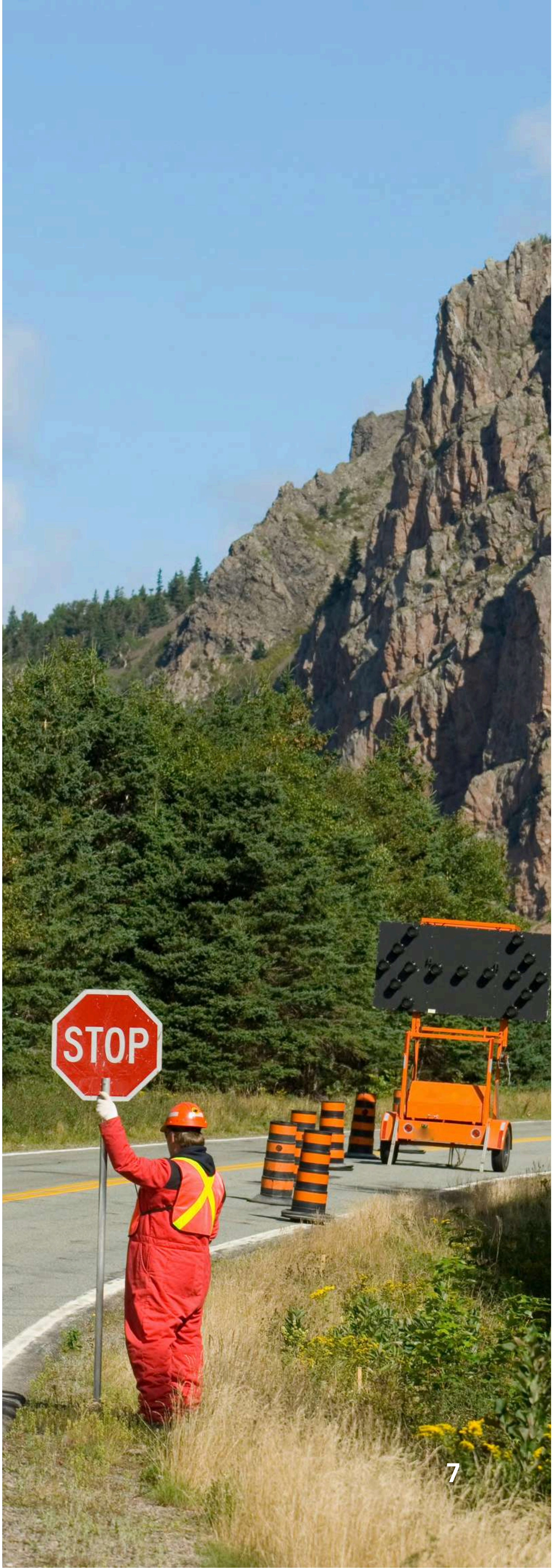
Attracting New Business and Industrial Growth, Enhancing Economic Competitiveness and Multiplier Effects on the Local Economy

Employment & Education: Job Creation in Construction and Maintenance, Skills Development and Local Capacity Building, Improved Educational Outcomes and Long-Term Social Benefits.

The project's construction phase is projected to generate a temporary boost of R10.22 billion in business sales and R4.49 billion in GDP, while creating about 14,739 once-off jobs across Gauteng. It is expected to result in 39 new formal SMME opportunities, with Black-owned enterprises making up roughly 74.36% of these, as well as 11,537 formal jobs distributed between 22.93% skilled, 58.52% semi-skilled, and 18.55% low-skilled labour.

The operational phase should create 25 new formal SMME opportunities, 80% of which are expected to be Black-owned, alongside 6,578 formal jobs annually, broken down into 35.3% skilled, 45.99% semi-skilled, and 18.71% low-skilled labour.

This project involves several stakeholders, such as Emfuleni Local Municipality, the Department of Water Affairs and Sanitation, Eskom, Rand Water, and various private developers.



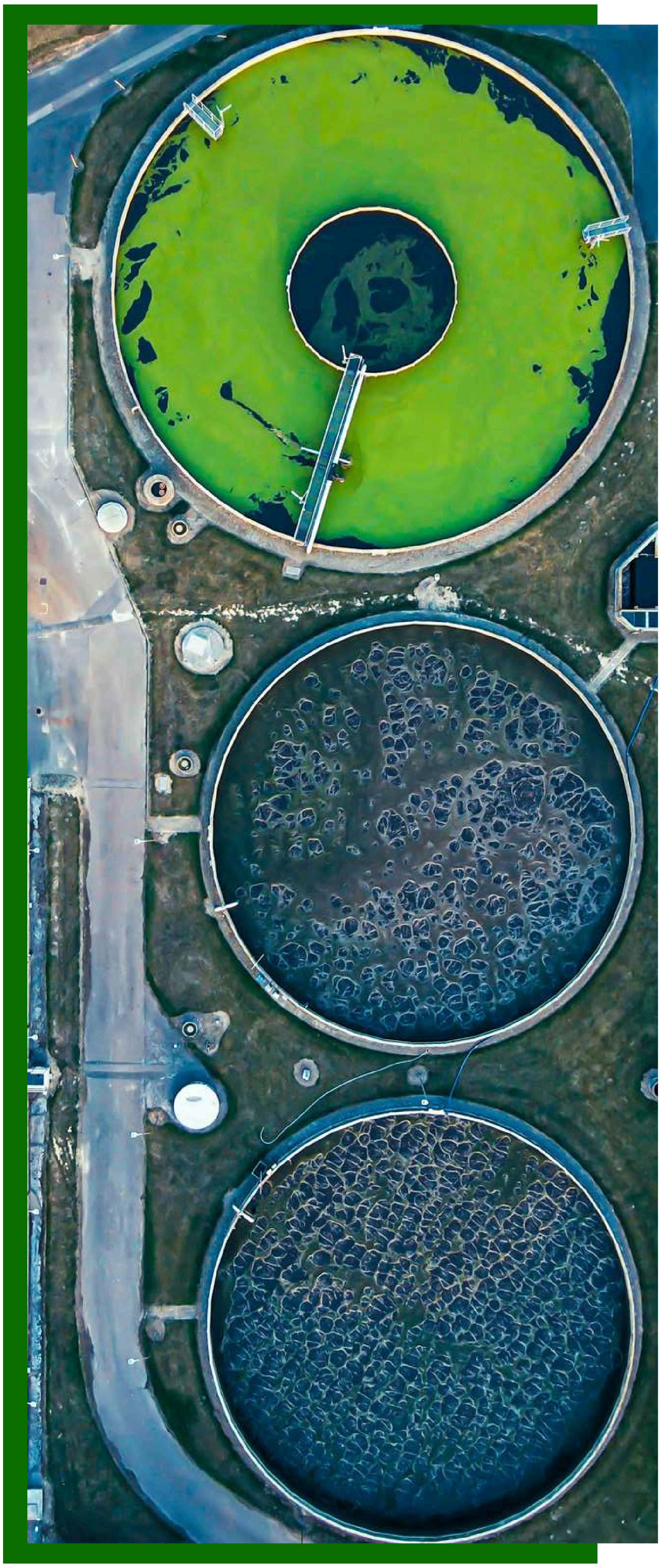
Pelzvale Wastewater Project

The proposed Pelzvale Wastewater Treatment Works (WWTW) is intended to address urgent wastewater infrastructure demands arising from rapid housing development, particularly within the Hannes van Niekerk Drainage Catchment Area.

The existing Hannes van Niekerk WWTW exceeded its design capacity in 2018, resulting in increased operational pressure on the system. Opportunities for further expansion at the current site are limited due to the presence of dolomitic geology, which poses significant geotechnical and environmental risks.

In response to these constraints, the Pelzvale WWTW has been planned with a final treatment capacity of 60 ML/day. This facility will provide sufficient capacity to accommodate both existing wastewater flows and future growth projections, ensuring sustainable wastewater management and supporting continued urban development within the catchment area.

The project is valued at R5 Billion and is currently in the initiation stage. Stakeholders for the project include GIFA, Rand West City Local Municipality, Gauteng Department of Environment, Aphane Consulting, Department of Water and Sanitation, and Gauteng CoGTA.



The GIFA Sourcing and Credit Committees have approved the funds for the development of the Pelzvale WWTW Business Case. GIFA is currently developing procurement documents to appoint a Transaction Advisor to develop a Business Case for Pelzvale WWTW in preparation for submission for Budget Facility for Infrastructure (BFI) funding application. The Project Steering Committee is being formed and the Memorandum of Agreement between GIFA and Rand West City Local Municipality is being finalised.

WASTE MANAGEMENT

AWTT

City of Tshwane Alternative Waste Treatment Technology

The Alternative Waste Treatment Technology ("AWTT") aims to solve the waste disposal challenges in the City of Tshwane due to reduced air space at landfill sites. The CoT embarked on investigating alternative and appropriate solutions to address the scarcity of landfill through waste disposal plants. The project entails the design, construction, operation and financing of Waste to Energy facilities for mixed municipal solid waste at landfill sites in the City of Tshwane by way of treatment technologies, such as Anaerobic Digestion, Thermal Treatment and Material recovery facilities for recycling. In addition, these waste disposal plants will generate energy in the form of electricity and/or heat from processing waste.

GIFA assisted the city in updating and completing a feasibility study for the projects through the project preparation support funding. There are no other partners at this stage of project preparation; however, application is being made to the DBSA for further preparation support. The city has requested the GIFA to continue development of the project, including updating the feasibility study and taking it to market.

Once the study is updated and an EIA is conducted, the procurement process will begin. Issue of the Tender in the form of an RFQ (Request for Qualification), where bidders would be assessed on their capacity and experience to deliver such a project. Subsequently, an RFP (Pricing Request) would be issued to the prequalified bidders. This procurement process will result in the selection of a bidder who will design, finance, build, operate, and maintain the plant for the city.

City of Johannesburg Alternative Waste Treatment Technology

The City of Johannesburg is taking bold steps to address its growing waste management challenges with the Alternative Waste Management Technology (AWTT) Project.

The project aims to reduce landfill waste, generate renewable energy, and create jobs, offering an all-inclusive solution to the city's environmental concerns. The COJ AWTT is centred around the Robinson Deep Landfill in Turffontein, Johannesburg's largest and oldest waste disposal site, which has been operational since 1933.

The city produces large amounts of waste annually, and existing landfills are quickly reaching capacity. Projections indicate that within just three years, the city's operational landfills will be full, creating an urgent need for sustainable waste management practices.

To address this, the city has devised an innovative strategy that aims to divert 30% of waste away from landfills through reuse, recycling, and waste prevention. A key component of the project is collecting, sorting, and incinerating waste to the landfill to generate about 26 MW of energy. This initiative is particularly significant amid South Africa's ongoing power shortages.

The project also seeks to create over 400 jobs within the waste management sector. The Material Recovery Facility (MRF) will serve as a key site for waste sorting, employing many waste pickers and further diverting waste from landfills.

GIFA has completed the feasibility studies, and the project is in the structuring phase.

During this structuring phase, the affordability became a concern for the city due to non-reflective waste disposal charges that the city currently employs. In an effort to close the affordability gap, the city applied for funding support to the Budget Facility for Infrastructure and secured R1,6 billion to support the project. Further, grant funding of R 500 million was also secured through the Netherlands-based impact investor, Invest International.

This has enabled the city to secure approval to approach the market and begin the PPP procurement, still supported by the GIFA and DBSA. Currently, procurement documents have been submitted to the National Treasury, and the project has been approved by council to go out to market.

PROPERTY OPTIMISATION AND COMMERCIALISATION

The Gauteng MEC for Infrastructure Development and COGTA, Honourable Jacob Mamabolo, has tasked the Gauteng Infrastructure Financing Agency (GIFA) with two significant projects. These are The Commercialisation of Government Assets and The Gauteng Government Precinct. To support the precinct project, GIFA has entered into a Memorandum of Understanding (MOU) with the Development Bank of Southern Africa (DBSA) to deal with government offices in the CBD over the coming twelve months. In addition, GIFA will develop business cases for Gauteng Provincial Government (GPG) assets as part of the commercialisation project. This initiative includes a pilot programme of approximately ten projects designed to attract investment from stakeholders and partners.

Optimising Government Assets

GIFA has been mandated to assess the full portfolio of GPG Immovable Assets currently managed by the Department of Infrastructure Development (DID). The objective is to identify and prioritise assets for commercialisation to support the GPG’s Revenue Enhancement Strategy. The GIFA has completed the baseline assessment for the Gauteng Property Commercialisation Project. The first part of this exercise involved the physical verification of the existence of the identified properties, and validation of ownership with the Deeds Office, high-level geotechnical analysis for land suitability, and recommendation of possible commercialization options. Kindly refer to the attached annexure for the full list of identified properties.

This first exercise has yielded 11 land parcels, which require further project preparation and packaging before commercialization. The next phase of the project will involve developing comprehensive Business Cases/ Feasibility Studies to justify the selected commercialization options. In addition, this next phase will provide a go-to-market strategy for each of the identified properties.

This work will be carried out in line with the Government Immovable Asset Management Act (GIAMA), which provides the legislative framework for efficient and effective asset management in support of government service delivery. GIFA’s role includes compiling a detailed portfolio profile, identifying opportunities for investment, and preparing assets for market engagement. With proven expertise in infrastructure financing and PPPs, GIFA is well-positioned to attract private sector investment across Gauteng.

GIFA and DBSA Lead Development of Government Assets in Gauteng CBD

In July 2025, the Gauteng Infrastructure Financing Agency (GIFA) and the Development Bank of Southern Africa (DBSA) entered into a formal partnership agreement. This collaboration aims to support the Gauteng Provincial Government (GPG) in optimising and leveraging government facilities in the Central Business District (CBD), thereby fostering market confidence and stimulating investment in public assets. GIFA, DBSA, and other stakeholders plan to implement the project through a series of strategic interventions.

INTERVENTION 1: Aims to restore the market's confidence in the Precinct Development Project. This will entail a full review of previously completed documents and engagement sessions with the market to understand the areas of concern with the programme. This will enable DBSA to mitigate risk in the RFP stages and establish early interest.

INTERVENTION 2: The DBSA will appoint and manage a Transactional Advisor to update and improve the RFP documents in line with the National Treasury regulations. This will benefit from the intelligence the DBSA would have gathered in the first intervention. The ultimate objective is to achieve financial close with prospective bidders.

INTERVENTION 3: The DBSA will deploy its infrastructure delivery and management capabilities to manage and supervise the execution of the work.

INTERVENTION 4: The DBSA will deploy total facilities management to ensure full benefits of assets across their life cycle.

This project involves collaboration among several key stakeholders, including GTAC, Gauteng Treasury, COGTA, GDID, ISA, and the City of Johannesburg (COJ).

Progress on this project includes the completion of Terms of Reference (ToR) for engaging a consultant for the initial phase, with the consultant scheduled to be appointed by mid-March 2026. The report for this phase is expected within three months, following which a Transaction Advisor will be retained for the second phase. This subsequent phase is projected to span approximately eleven months, concluding at the project's financial close. The third phase will commence thereafter, continuing for two years and concluding in February 2029.

As the project moves forward, both investors and the public can expect major progress in the use and management of government buildings. This will help attract new investments and support lasting development in Gauteng's CBD.

OTHER PROJECTS

GIFA Partners with Gauteng Department of Education to Build 18 New Schools in High-Demand Communities

The Gauteng Infrastructure Financing Agency (GIFA) is working in collaboration with the Gauteng Department of Education to construct 18 new schools in high-pressure communities across the province. This initiative is part of a larger effort to address the ongoing shortage of educational infrastructure, which has been identified as one of Gauteng's most pressing challenges, part of the "G13" list of regional issues.

The project is being funded through the Budget Facility for Infrastructure (BFI), with a substantial financial commitment from both the national and provincial governments. Premier Mr. Panyaza Lesufi highlighted the significance of this development during the State of the Province Address, noting that the National Treasury has provided an advance of 1.5 billion Rand. In addition, the provincial government has matched this grant with an additional 1 billion Rand, bringing the total funding for the initiative to 2.5 billion Rand. According to Premier Lesufi, this funding will be used to "eradicate the backlog and build 18 new schools in our province, in all our communities."

The primary goal of this project is to alleviate the pressure on Gauteng's schools, which have long been grappling with overcrowded classrooms and outdated infrastructure due to rapid population growth and urban migration. As the province's population continues to increase, the demand for educational facilities has grown exponentially, prompting urgent action to provide sufficient resources for students.

So far, significant progress has been made on the initiative. Contractors have been secured for the first three clusters of schools. Site Development Plans together with building plans have been submitted for 14 of the planned schools, 12 schools have received SDP approvals and only 8 schools have received building plans approvals.

Construction of all 14 schools is in progress with 3 priority schools expected to be completed and handed over to GDE towards mid-2026, subject to contractual and logistical constraints.
For Phase 2 of the schools project, GIFA received a list of 25 schools from the GDE. GIFA is in the process to undertake a detailed site due diligence on all the 25 sites followed by a business case development for BFI funding during the second half of 2026.

GIFA Partners to launch Innovation Hub Expansion Project

The Gauteng Infrastructure Financing Agency (GIFA) joined the MEC of Finance and Economic Development – Lebogang Maile in the official sod turning of the Enterprise Building 3 (EB3) Public-Private Partnership (PPP) project, marking the commencement of construction The ceremony was held on Wednesday, the 4th of June 2025, at The Innovation Hub.

The EB 3 project will expand The Innovation Hub infrastructure through a 45-year PPP between the Gauteng Department of Finance and Economic Development (Public Party) and Notre Dame Development Company as the private party.

The strategic partner and anchor tenant is the Water Research Commission (WRC). The EB3 facility will house both the WRC's main offices and a new state-of-the-art research centre focused on climate innovation and water ecosystems.

Partners in the project include TIHMC, the Gauteng Department of Economic Development, the GGDA, Notre Dame Development Company and the WRC, and ABSA as the senior funder.

GIFA has been instrumental in the project's preparation phase, overseeing feasibility studies, private sector procurement, and ensuring that the project is compliant with National Treasury PPP regulations, ensuring effective risk management and value for money for the State.

The Gauteng Finance and Economic Development MEC Lebogang Maile noted The Innovation Hub's growing role as a dynamic ecosystem for research and enterprise development, noting that the EB3 project, alongside BioPark Phase 2, represents key milestones in the Province's innovation-driven growth strategy. "This event today is an expression of the critical juncture in the journey of the Innovation Hub, for it is not just a development project, but a vision of what Gauteng can become when innovation, investment, and inclusion come together with purpose," he said.

Representing the CEO of GIFA, Head of Structured Finance Mr. Nathaniel Munetsi expressed pride in the agency's involvement. "This milestone is not just a culmination of hard work, but also a testament to what can be achieved through collaboration, perseverance, and shared vision. We are pleased as GIFA to be a part of this important project, and we look forward to supporting its successful completion and handover."

The construction of the building will be completed around end of April 2026. The building is expected to be ready for handover to the Water Research Commission by 1 August 2026. Moreover, it's expected to stimulate job creation, strengthen Gauteng's innovation ecosystem, and attract long-term private sector investment into the province's economic infrastructure.

Krugersdorp Game Reserve: A Vision for Conservation and Community Empowerment

The Krugersdorp Game Reserve (KGR) is a stunning wildlife haven that combines natural beauty with a strong focus on sustainable development. Home to a rich variety of wildlife, including majestic wildebeests and towering giraffes, the reserve offers a unique opportunity to experience Africa's wilderness while also addressing the socio-economic challenges of the surrounding communities.

Located near Mogale City, the Reserve lies close to informal settlements, where poverty and unemployment are prevalent. Due to this, the KGR project is intended to rehabilitate the game reserve as part of a larger initiative to uplift the community. A Public-Private Partnership (PPP) model will help commercialise the reserve, offering business opportunities, job creation, and support for small businesses in the region. The reserve offers a wide range of accommodations, including 22 chalets and 12 rendezvous, along with activities like mountain biking and swimming pools, aiming to attract both local and international tourists. There are also conference venues, adding business versatility to the area.

The Gauteng Infrastructure Financing Agency (GIFA) has completed the Feasibility studies for the project, and it is currently in the structuring phase. Views and recommendations from both the National and the Provincial Treasury have been received, both the PPP agreement and the RFP have been finalised, and the project is meant to go out to market by the end of July 2025.

This initiative aligns with the Sustainable Development Goals (SDGs) 8, 12 and 15, which focuses on decent work and economic growth; culture and tourism; and protection of the ecosystem, biodiversity and natural landscape. By preserving biodiversity and opening doors for local enterprises, the game reserve will create long-term positive impacts for both the environment and the people of Mogale City.

Gauteng Government Signs Agreement with Independent Power Producers for Merafong Solar Farm Development

The Gauteng government has signed an agreement with Independent Power Producers (IPPs) for the development of an 800MW Solar Farm in Merafong. The government finalised an agreement with 3 IPPs for three of the six available pieces of land. The 3 remaining land parcels have been accepted by the IPPs but are awaiting signatures and finalisation of processes.

This initiative is a Public-Private Partnership managed and developed by a Non-Profit Company, Bokamoso Ba Rona. The founding partners of this NPC include the Gauteng Infrastructure Financial Agency (GIFA), representing the Gauteng Provincial Government (GPG), the Far West Rand Dolomitic Water Association (FWRDWA), Sibanye Stillwater, and the West Rand District Municipality. The solar farm will be developed on 1,600 hectares of land donated by Sibanye Stillwater.

Jacob Mamabolo, MEC for DID and CoGTA, congratulated all parties involved, emphasising that this project demonstrates the potential of public-private collaboration. He remarked, "This is an excellent example of what Public-Private Partnerships (PPPs) can achieve in revitalising economically distressed regions of the province and the country. It also shows that even in a fragile fiscal environment and an era of cost containment, the government can still work with private sector partners to drive change."

OR Tambo SEZ Launches Precinct 2 Development at the JSE

The OR Tambo Special Economic Zone (SEZ) officially launched its Precinct 2 development at the Johannesburg Stock Exchange (JSE) on Thursday, 13 February 2025. Located within the OR Tambo International Airport area, the new precinct is dedicated to advancing manufacturing and export-driven activities to stimulate economic growth and job creation in the region.

This new phase follows the successful completion of Precinct 1 in 2024. The market opening event at the JSE marked the SEZ's readiness to collaborate with private sector partners, presenting investment opportunities available within the zone.

With a projected Gross Lettable Area of 265,000 square metres, ORTIA Precinct 2 is designed to attract manufacturing investments in high-impact sectors such as pharmaceuticals, medical devices (MedTech), agro-processing (fresh food production), mineral beneficiation, and electronics.

Industry leaders present at the launch affirmed the SEZ's credibility and delivery capabilities. Dr. Stavros Nicolaou, Chairperson of the South African Pharmaceutical Producers Association (PHARMISA), highlighted the importance of expanding local pharmaceutical production to address South Africa's trade deficit. Tanya Vogt, CEO of the South African Medical Technology Industry Association (SAMED), underscored the need to empower MedTech SMEs to reduce the country's reliance on imports.

Gauteng MEC for Economic Development, Lebogang Maile, also addressed the gathering. He emphasised the province's ambitious goal of securing R800 billion in investment commitments to support strategic developments such as Precinct 2.

GIFA Participates in 9th International PPP Forum Hosted by UNECE in Belgrade

The Gauteng Infrastructure Financing Agency (GIFA) took part in the 9th International Public-Private Partnership (PPP) Forum, organised by the United Nations Economic Commission for Europe (UNECE) and held in Belgrade, Serbia. The event convened more than 130 speakers across 27 sessions, in-person and virtually, to advance innovative PPP strategies aligned with the Sustainable Development Goals (SDGs).

The Forum was officially opened by Ms. Adrijana Mesarović, Deputy Prime Minister and Minister of Economy of Serbia, and Ms. Tatiana Molcean, Executive Secretary of UNECE, with a keynote by Mr. Aleksandar Šapić, Mayor of Belgrade.

GIFA was represented by Head of Strategy Monitoring and Evaluation Mr Lebogang Tladinyane, Head of Structured Finance Mr Nathaniel Munetsi and Ms. Noxolo Mtembu, Project Manager. Ms Mtembu presented the City of Johannesburg Alternative Waste Technology initiative during a roundtable discussion of shortlisted projects for the UNECE PPP and Infrastructure Award 2025.

Key Highlights:

Sustainable Infrastructure: Emphasis on people-first PPPs that champion sustainability, climate resilience, and digital innovation.

AI in PPPs: UNECE introduced a new workstream exploring the integration of Artificial Intelligence into infrastructure development.

UNECE PPP and Infrastructure Award 2025: 61 projects from 25 countries, representing $15 billion in capital expenditure, were recognised for leadership in green and digital transformation.

Off-Grid Energy Standards: A May 16 session addressed challenges in rural electrification and the Zero-Draft Off-Grid Energy PPP Standards Document in support of SDG 7.

Africa-Focused Engagement: Included high-level participation from South Africa, Burundi, Uganda, and Zambia, focused on showcasing viable, impactful PPPs, sharing best practices, and mobilising partnerships.

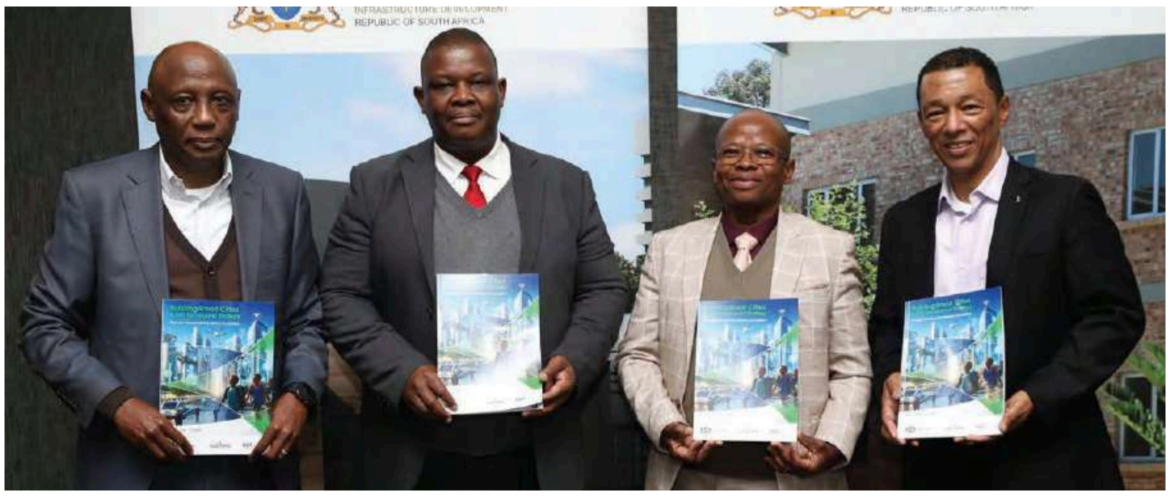
HIGHLIGHTS

Clean Audit 2025

In the financial year 2025/2026, there was no unauthorised expenditure or fruitless and wasteful expenditure that occurred. The GIFA secured its ninth consecutive clean audit. This achievement is a result of the collective efforts of GIFA's leadership, staff, and all those involved in its financial management.

GIFA's achievement serves as a reminder that dedication to financial transparency is an ongoing endeavour. With each passing year, GIFA sets a higher bar for itself and continues to demonstrate that a commitment to excellence in financial management is a cornerstone of organisational success.

Gallery: 2025 in pictures



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