

INFRASTRUCTURE INVESTMENT PROGRAMME FOR SOUTH AFRICA (IIPSA)



Lasted update: March 2022

Overstrand

Type of Assistance (Capital Grant)

KEY MESSAGE

Enhancing sustainable economic growth and the delivery of key services affecting development in South Africa.

IMPACT

Provision of infrastructure to communities that did not have access to basic service, to provide sustainable water, sanitation & electricity services.

RELEVANT SDGs

SDG 6: Clean water and sanitation

GEOGRAPHICAL COVERAGE

Western Cape – South Africa

FUNDING SUMMARY

CRIS ref: AFS/2013/333-157

Start date: May 2019

IIPSA instrument: Capital Grant

Modality of the project: Implementation of mainly water projects

Status: Still in implementation

Total amount Disbursed from inception

up to 30/9/21 EUR: € 1,230,218.00

The Facility from IIPSA fully paid

EU Contribution: Subsidy fully funded by EU and a loan of € 10,014,840 was raised from the DBSA.

IMPLEMENTATION & BENEFICIARY PARTY

Overstrand Local Municipality and communities within its jurisdiction.



IMPLEMENTING PARTNERS

Project sponsor – Overstrand Local Municipality and (17) contracted Service Providers



With funding by the European Union



Multiple Sector – Water, Sanitation & Electricity

Project specific objectives

- The projects will directly enable 3000 housing units over three years to be connected to the new water and sanitation services.
- The projects will positively impact (directly and indirectly) on an estimated 10 000 households.
- The implementation of the projects will lead to the avoidance of diverse hazards, such as air pollution, water pollution and soil contamination.
- The projects have also created access to improved service delivery and social environment.

Main project activities in brief

- The construction of infrastructure services funded through capital raised from the IIPSA Grant and DFI loan funding made the implementation of the capex affordable for the municipality to implement of these projects.

Main outcomes/impact/accomplishments to date

- Creation of additional infrastructure capacity to ensure more households are connected to basic water, sanitation and electricity services.
- Improvement in service delivery and reduction of negative environmental pollution.
- Increase the income coming from provision of services, from additional services being delivered

Expected reduced carbon emission – 0%

Expected no of jobs created CONSTRUCTION – 50

Expected no of jobs created OPERATIONS – 30



DBSA – Rajeev Sooklall

Tel: +27 11 313 3724 • Email :
rajeevs@dbsa.org

INFRASTRUCTURE INVESTMENT PROGRAMME FOR SOUTH AFRICA (IIPSA)



Last update: March 2022

Polokwane Asbestos Cement Pipe Replacement Programme



With funding by the European
Union



KEY MESSAGE

Enhancing sustainable economic growth and the delivery of key services affecting development in South Africa.

IMPACT

Supporting the Polokwane Local Municipality with addressing challenges arising from existing aged Asbestos Cement (AC) pipe infrastructure to reduce water losses and ~~with~~ reliable water supply.

RELEVANT SDGs

SDG 6: Clean water and sanitation

GEOGRAPHICAL COVERAGE

Limpopo – South Africa

FUNDING SUMMARY

CRIS ref: AFS/2013/333-157

IIPSA instrument: Project Preparation Grant

Modality of the project: Feasibility Study

Start/final dates: 10 March 2016

Status: Complete

Total amount Disbursed from inception

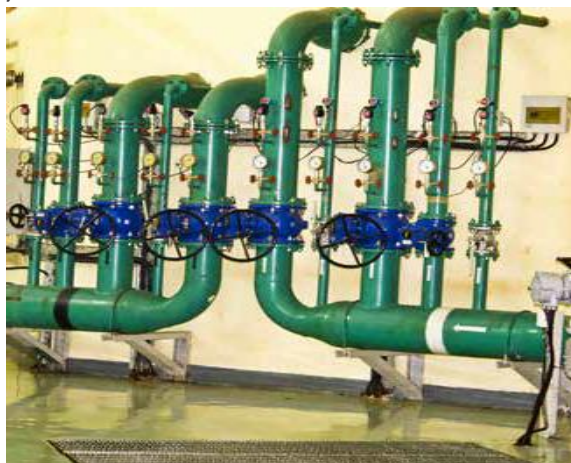
up to 30/9/21 EUR: € 1,299,970.69

The Facility from IIPSA is fully paid

EU Contribution: Fully funded by EU

IMPLEMENTATION & BENEFICIARY PARTY

Polokwane Local Municipality and communities within its jurisdiction.



IMPLEMENTING PARTNERS

Project sponsor – Polokwane Local Municipality

Consultants – Lilibara Projects & Jendza Capital

Sector – Water

Project specific objectives

The existing water distribution pipelines made out of Asbestos Cement (AC), in Polokwane CBD, Seshego and Annandale was installed more than 50 years ago. These AC pipes having reached the end of their design life and having created major operation and maintenance challenges and water losses led to the Polokwane Local Municipality implementing the AC Pipes Network Replacement Capital Expenditure Programme.

Main project activities in brief

- Technical feasibility studies and preliminary designs.
- Detail design, tender and procurement documentation
- Procurement of consultants and contractors; and
- Construction implementation and supervision.

Main outcomes/impact/accomplishments to date

The AC Pipes Network Replacement Capital Expenditure Programme has complemented PLM's Smart City Vision. The programme has helped to reduce the water distribution losses and provide infrastructure with adequate capacity to meet current and future water supply requirements.

Expected reduced carbon emission - 0%

Expected no of jobs created CONSTRUCTION - 260

Expected no of jobs created OPERATIONS - 20



PROJECT MANAGER

DBSA – Rajeev Sooklall

Tel: +27 11 313 3724 • Email : rajeevs@dbsa.org

INFRASTRUCTURE INVESTMENT PROGRAMME FOR SOUTH AFRICA (IIPSA)

Last update : March 2022

Polokwane Regional Wastewater Treatment Works



With funding by the European Union



KEY MESSAGE

Enhancing sustainable economic growth and the delivery of key services affecting development in South Africa.

IMPACT

Supporting the Polokwane Local Municipality with finalisation of the Bankable Feasibility Study and development and facilitation of the Procurement Plan for the Regional Wastewater Treatment Works (WWTWs) PPP Project

RELEVANT SDGs

SDG 6: Clean water and sanitation

GEOGRAPHICAL COVERAGE

Limpopo – South Africa

FUNDING SUMMARY

CRIS ref: AFS/2013/333-157

IIPSA instrument: Project Preparation Grant

Modality of the project: Feasibility Study

Start/final dates: 20 October 2016

Status: Still in progress

Total amount Disbursed from inception

up to 30/9/21 EUR: € 870,550.29

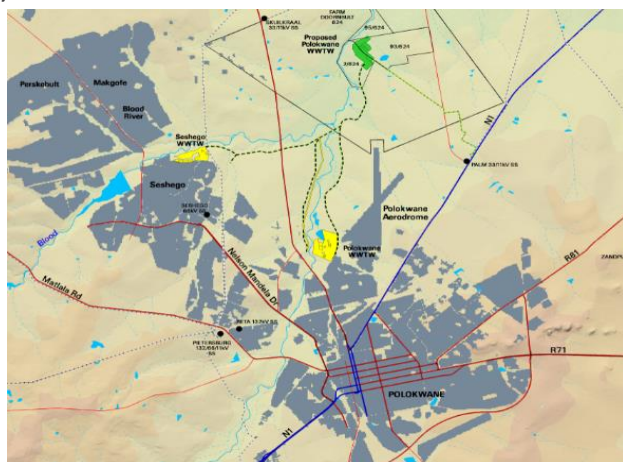
Balance to be disbursed from 1 Oct 2021 up to

30 September 2023 EURO: € 796,831.26

EU Contribution: Fully funded by EU

IMPLEMENTATION & BENEFICIARY PARTY

Polokwane Local Municipality and communities within its jurisdiction.



Sector – Water

Project specific objectives

Polokwane Local Municipality have identified challenges relating to the provision of water and sanitation services. These challenges have seen the municipality imposing a moratorium on new property developments in the city due to insufficient capacity of the existing water and sanitation infrastructure to cater for additional developments.

Main project activities in brief

- Additional specialist studies required for the Project to finalise the Bankable Feasibility Study.
- Prepare PPP Procurement documents
- Project Management and support for the Project until the conclusion of the PPP Agreement.
- Independent Technical Advisor to review the work of the Transaction Advisor.

Main outcomes/impact/accomplishments to date

The grant has assisted the municipality to address their current limited sanitation infrastructure capacity. The project will enable the municipality to expand and grow its economy through the lifting of the moratorium on new developments.

Expected reduced carbon emission - 0%

Expected no of jobs created CONSTRUCTION - 220

Expected no of jobs created OPERATIONS - 10



PROJECT MANAGER

DBSA – Rajeev Sooklall

Tel: +27 11 313 3724 • Email: rajeevs@dsba.org

IMPLEMENTING PARTNERS

Project sponsor – Polokwane Local Municipality

Consultants – Mafumu & SMEC Consultants

INFRASTRUCTURE INVESTMENT PROGRAMME FOR SOUTH AFRICA (IIPSA)



Last update : March 2022

uMhlathuze Waste Water Reuse Project

KEY MESSAGE

Enhancing sustainable economic growth and the delivery of key services affecting development in South Africa.

IMPACT

Supporting the City of uMhlathuze with augmenting their water supply to the local industries with reuse from available wastewater thereby increasing their security of potable water for domestic use.

RELEVANT SDGs

SDG 6: Clean water and sanitation

GEOGRAPHICAL COVERAGE

Richards Bay, KwaZulu-Natal – South Africa

FUNDING SUMMARY

CRIS ref: AFS/2013/333-157

IIPSA instrument: Project Preparation Grant

Modality of the project: Feasibility Study

Start/final dates: 13 February 2017

Status: Still in Progress

Total amount Disbursed from inception

up to 30/9/21 EUR: € 125,273.99

Balance to be disbursed from 1 Oct 2021 up to

30 September 2023 EURO: €622,150.19

EU Contribution: Co-funded by EU

IMPLEMENTATION & BENEFICIARY PARTY

City of uMhlathuze, Local Commercial Industries – Mondri, Eskom, Richards Bay Coal Terminal, South32, etc.



With funding by the European Union



Sector – Water

Project specific objectives

The development of new wastewater treatment works to treat wastewater to an acceptable standard for industrial use. The City of uMhlathuze municipality intends to implement this project under PPP and registered the project with National Treasury.

Main project activities in brief

- Preparation of the feasibility study and approval by the municipality and National Treasury.
- Obtaining TVRI approval to allow the project to move into the procurement phase;
- Preparation and approval of the RFQ and RFP procurement documents for issue to market;
- Analysing, evaluating and shortlisting of received bids;
- RFP optimisation and TVR IIA of optimised draft RFP document and draft PPP agreement;
- Bid evaluation and TVR IIB approval;
- PPP negotiations; and
- TVR III and conclusion of PPP agreement.

Main outcomes/impact/accomplishments to date

The bankable feasibility study is ongoing. Should the project prove to be viable, it will enable the municipality to secure 75Mℓ/day of additional potable water for domestic use. The project will also provide security of treated wastewater to the local industries at an affordable tariff and further benefit the environment by limiting the discharge of wastewater in the sea.

Expected reduced carbon emission	- 0%
Expected no of jobs created CONSTRUCTION	- 693
Expected no of jobs created OPERATIONS	- 27



IMPLEMENTING PARTNERS

City of uMhlathuze – Project Sponsor

Mariswe Consortium – Transaction

Advisor National Treasury – PPP Advisor

Department of Water and Sanitation – Technical Advisor

PROJECT MANAGER

DBSA – Rajeev Sooklall

Tel: +27 11 313 3724 • Email: rajeevs@dbsa.org

INFRASTRUCTURE INVESTMENT PROGRAMME FOR SOUTH AFRICA (IIPSA)

Last update: March 2022

The Western and Northern Aqueducts



With funding by the European Union



KEY MESSAGE

Enhancing sustainable economic growth and the delivery of key services affecting development in South Africa.

IMPACT

Supporting the eThekweni Municipality with augmenting the increase in water demand in the western and northern regions with the implementation of the new bulk water Western and Northern Aqueduct Project.

RELEVANT SDGs

SDG 6: Clean water and sanitation

GEOGRAPHICAL COVERAGE

Durban, KwaZulu-Natal – South Africa

FUNDING SUMMARY

CRIS ref: AFS/2013/333-157
IIPSA instrument: Interest Subsidy and Capital Grant
Modality of the project: Loan funding to implement the project
Start/final dates: 10 July 2015
Status: Implementation - Still in Progress
Total amount Disbursed from inception up to 30/9/21 EUR: € 7,143,150.00
Grant contribution is fully paid
EU Contribution: Co-funded by EU and raised debt funding from participating DFIs to the amount of 21,637,000.

IMPLEMENTATION & BENEFICIARY PARTY

eThekweni Municipality & Residents of eThekweni Municipality



SECTOR - Water

Project specific objectives

The Western and Northern Aqueducts Project was commissioned to address the water capacity and old bulk water infrastructure challenges faced by eThekweni Metro.

Main project activities in brief

- Technical feasibility studies and Environmental Impact Assessments (EIA);
- Detail final design and tender and procurement documentation
- Procurement of consultants and contractors; and
- Construction implementation and supervision.

Main outcomes/impact/accomplishments to date

On completion, the Western and Northern Aqueduct project will result in an assured water supply to over a million previously disadvantaged people living in the Inanda, Ntuzuma and KwaMashu region who at present have to contend with daily water interruptions as a result of capacity problems in the existing supply system.

The project is in advanced construction stage and ~~phase~~ scheduled to be completed at the end of 2022.

Expected reduced carbon emission	- 0%
Expected no of jobs created CONSTRUCTION	- 8 018
Expected no of jobs created OPERATIONS	- 30



IMPLEMENTING PARTNERS

Project sponsor –
eThekweni Municipality
Consultants – Aurecon

PROJECT MANAGER

DBSA – **Rajeev Sooklall**
Tel: +27 11 313 3724 • Email: rajeevs@dbsa.org

INFRASTRUCTURE INVESTMENT PROGRAMME FOR SOUTH AFRICA (IIPSA)



Updated: March 2022

Joe Gqabi District Municipality

KEY MESSAGE

IIPSA will subsidise the interest cost such that the interest rate offered to the municipality enhances the affordability to unlock much needed water infrastructure for the residents of Joe Gqabi District Municipality (JGDM).

IMPACT

Given the financial situation of JGDM and to minimise the risk of default by the municipality in servicing its debt annually, it is proposed that an interest rate subsidy be provided, to enable the municipality to accelerate the implementation of its key water projects.

Beneficiary households	Estimate number of jobs to be created	Estimate number of jobs to be created
Maclear Water Treatment Works and Associate Bulk Infrastructure	3 557	110
Bulk Sanitation Infrastructure Upgrade for Maclear (BSIUM)	3 826	144

RELEVANT SDGs

SDG 6 Clean, accessible water for all, SDG 10 Reduced Inequalities

GEOGRAPHICAL COVERAGE

Elundini, Eastern Cape – South Africa

FUNDING SUMMARY

CRIS ref: AFS/2013/333-157

IIPSA instrument: Interest Subsidy

Modality of the project: Loan funding to implement the project

Start dates: 31 July 2019

Status: Still in Progress

Total amount Disbursed from inception

up to 30/9/21 EUR: None

Balance to be disbursed from 1 Oct 2021 up to

30 September 2023 EURO: €636,746.00

EU Contribution: Co-funded by EU and raised loan

€937,500 from the DBSA

BENEFICIARIES

Indigent rural communities living in the Elundini municipal area.



With funding by the European Union



SECTOR – Water

Project specific objectives

- (i) JGDM is responsible for water and sanitation service delivery throughout the District and development and upkeep of the water and sanitation infrastructure and has a significant water and sanitation backlogs.
- (ii) The implementation of these key projects will complement the other infrastructure developments in other sectors such as human settlement and household electrification; and also contribute to the general hygiene and health, thereby curbing the outbreak of health epidemics like cholera, etc.
- (iii) Increased bulk water supply infrastructure to provide the residents of Elundini with adequate water supply of adequate quality as opposed to the current situation where the households rely (in some instances) on river streams water, which is below the required Blue Drop standards.
- (iv) The bulk sanitation project will lift the standard of living and improve hygiene and health of the Elundini rural communities

Main project activities in brief

- Interest Rate Subsidy Agreement signed with DBSA to subsidise the loan required to implement water and sanitation projects.
- The DBSA technical team to observe the procurement process to comply with the municipality's Supply Chain Management (SCM) policy, its construction procurement strategy and the MFMA guidelines, and DBSA SCM to issue a non-objection confirming satisfactory completion of procuring processes prior to appointments being made.

Main outcomes/impact/accomplishments to date

- IIPSA approval of interest rate subsidy. The sanitization project is progressing as planned, and is scheduled to be completed end of 2022, however the Water project is on hold due to a pending court interdict matter.



Joe Gqabi District Municipality

PROJECT MANAGER

DBSA – Rajeev Sooklall Tel: +27 11 313 3724 • Email: rajeevs@dbsa.org

IMPLEMENTING PARTNERS DBSA

INFRASTRUCTURE INVESTMENT PROGRAMME FOR SOUTH AFRICA (IIPSA)



Updated: March 2022

Drakenstein Local Municipality:

1. Interest rate subsidy grant funding to the amount of €642,800.00
2. Project preparation grant funding to the amount of €909,755.00



With funding by the European Union



KEY MESSAGE

Enhancing sustainable economic growth and the delivery of key services affecting development in South Africa.

IMPACT

Provision of basic services to communities that did not have access to services, provide sustainable water and sanitation services and unlocking new development.

RELEVANT SDGs

SDG 6: Clean water and sanitation

GEOGRAPHICAL COVERAGE

Western Cape – South Africa

FUNDING SUMMARY

CRIS ref: AFS/2013/333-157

Start date: January 2018

IIPSA instrument: Interest Subsidy & Project

Preparation Grant

IIPSA instrument: Capital Grant and Project Preparation Grant

Modality of the project: Project Investment & Feasibility Study

Start/final dates: January 2018 – September 2021

Status: Complete

Total amount Disbursed from inception

up to 30/9/21: Interest rate subsidy: EUR: 1,442,798.55

Debt raised from subsidy: € 40 924 840

Project Preparation grant funding disbursed: €1,721,342.20

Could lead to investment of € 61,820,000.00

IMPLEMENTATION & BENEFICIARY PARTY

Drakenstein Local Municipality and communities within its jurisdiction.



Sector – Energy & Water

Project specific objectives

- (i) Provision of basic service to communities that did not have access to basic service,
- (ii) Expand bulk infrastructure to provide sustainable services,
- (iii) Expand bulk infrastructure to unlock new development and increase the municipality's revenue streams.

Main project activities in brief

- Interest Rate Subsidy (IRS) grant funding was earmarked to assist the municipality with the debt servicing coverage ratio which was projected to deteriorate when the municipality raise debt.
- Project preparation was to assist the municipality to prepare projects from feasibility stage to bankability or implementation ready.

Main outcomes/impact/accomplishments to date

- IRS assisted the municipality to find it affordable to raise debt, without IIPSA support the municipality would have not able to raise debt to the levels it did in the 2017/18 and 2018/19 municipal financial years.
- The municipality has managed to bring the detail planning for the infrastructure projects forward which would have taken two three years before the planning commence without IIPSA support due to funding constraints.



PROJECT MANAGER

DBSA – Lucky Simelane

Tel: +27 11 313 3041 • Email: luckys2@dbsa.org

INFRASTRUCTURE INVESTMENT PROGRAMME FOR SOUTH AFRICA (IIPSA)



Last update: March 2022

City of Tshwane- Water Conservation and Water Demand Management Programme (WCWDM)



With funding by the European
Union



KEY MESSAGE

Enhancing sustainable economic growth and the delivery of key services affecting development in South Africa and in the SADC region.

IMPACT

A holistic Water Conservation and Water Demand Management and revenue enhancement for the City of Tshwane.

RELEVANT SDGs

SGD6: Clean Water and Sanitation
SGD13: Climate Action

GEOGRAPHICAL COVERAGE

South Africa, Gauteng Province, City of Tshwane

FUNDING SUMMARY

CRIS ref: AFS/2013/333-157
IIPSA instrument: Project Preparation Grant
Modality of the project: Feasibility Study, Bulk water meter installation, Pilot Project
Start/final dates: October 2018 – December 2022
Status: Feasibility Study Completed
Total amount Disbursed from inception up to 30/9/21 EUR: €1,032,144.08
Balance to be disbursed from 1 Oct 2021 up to 30 September 2023 EURO: €1,302,970.62
EU Contribution: Co-funded by EU
Opportunity to raise debt funding from DFIs

IMPLEMENTATION & BENEFICIARY PARTY

Development Bank of Southern Africa, City of Tshwane, GLS and SMEC



SECTOR – Water and Sanitation

Project specific objectives

- Reduce Recoverable Real Losses (RRL) that will reduce daily demand.
- Reduce consumer over consumption that will protect the critical resource.
- Improve the cost recovery performance of the City of Tshwane.

Main project activities in brief

- Conducting a Feasibility Study to planning to implement a holistic Water Conservation and Water Demand Management within the City of Tshwane (WCWDM) programme (“the Programme”);
- To implement a Pilot Project in the City of Tshwane Cullinan Rayton Refilwe Water Demand Management area.
- Installation of bulk water meters around the City of Tshwane.

Main outcomes/impact/accomplishments to date

The prefeasibility study is complete.
The work on the Pilot site and installation of bulk water meters is ongoing.

IMPLEMENTING PARTNERS

City of Tshwane, GLS and SMEC

PROJECT MANAGER

DBSA – Nomcebo Khoza
Tel: +27 11 313 3067
Email: nomcebok2@dbsa.org