

Government spends R1 trillion on infrastructure

PRETORIA: By the end of 2014, government had spent R1 trillion on developing the country's infrastructure.



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"The expenditure was in areas such as energy, water infrastructure, sanitation, rail, road-based public transport, and hospital revitalisation among others," Minister in the Presidency Jeff Radebe said.

Speaking on Wednesday during the Vision 2030 Summit, Radebe highlighted the work that is currently underway as part of implementing the National Development Plan (NDP) specifically in infrastructure development.

The NDP is aimed at eliminating poverty and inequality by 2030. He said investments in infrastructure will expand South Africa's economic opportunities.

Energy sector

Radebe told delegates at the summit that investments in the energy sector included the construction of Medupi and Kusile power stations and iNgula Pumped Storage Scheme. "South Africa has enabled significant investment in the renewable energy sector totalling some R168 billion in the Four Bidding windows announced to date," he said.

Radebe said South Africa was regarded as a global leader in renewable energy, having approved 79 Independent Power Producer Projects totalling 5 243MW.

Commercial rail expansion

Last year, Transnet announced a R50 billion investment to manufacture more than 1,000 locomotives. "The plan is that all locomotives except for the first 70 will be manufactured in South Africa and delivered by 2019. "This will significantly expand Transnet's general freight capacity to support economic activity as well as expand the country's industrial capacity," he said.

In 2012, Transnet Freight Rail announced the expansion of the Sishen Iron-Ore line for R28.6 billion. The project is currently underway.

Unlocking economic potential of the country's oceans

Government has also earmarked R7 billion for investment in the country's ports by Transnet Ports Authority as part of Operation Phakisa, which is aimed at unlocking the economic potential of the country's oceans.

"A further commitment of R 9.2 billion of public and private investment for the construction of a new berth in Saldana Bay, the extension of the Mossgas Quay and the refurbishment of the offshore supply base has also been made," Radebe said.

Developments in passenger rail

The Passenger Rail Agency of South Africa (PRASA) has awarded a tender for the new rail rolling stock estimated to cost R51 billion. PRASA will spend R4 billion on new hybrid locomotives over a 10 year period. "A rail passenger factory will be established in Nigel, Ekurhuleni for the manufacture and assembly of locomotives and trains."

"It is expected that over 65,000 direct and indirect jobs will be created," said Radebe.

Road and research expenditure

Government recently announced an amount of R1.1 billion for the upgrade of the Moloto Road to improve safety and mobility on this road.

Government will spend R13 billion on the Research, Development and Support Programme through the Department of Science and Technology.

The department will also make transfers to the National Research Foundation of R2.7 billion to support 4539 researchers, 15,918 masters students and 9,615 doctoral students.

"It is important that we understand that initiatives by government are not undertaken in isolation and form part of a broader mandate to expand economic opportunities and improve the lives of our people," Radebe said.

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