2024/25

CONSTRUCTION BOOK

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Construction Book Foreword

Infrastructure investment and development are critical enablers of economic growth, reflected in several of South Africa's development planning initiatives that have been put forward since 2020. The country's Infrastructure Investment Plan proposes a streamlined agenda for infrastructure investment. The plan prioritises infrastructure implementation through technical, financial, legislative, and developmental reforms that have been approved by the Cabinet. The Economic Reconstruction and Recovery Plan (ERRP) highlights that infrastructure investment is key to economic growth and prioritises the rollout of infrastructure to unlock R1 trillion in new infrastructure investments. The NIP 2050 (Phase 1), gazetted in March 2022, recognises that:

> "Infrastructure delivery will be one of the most significant contributors to South Africa's transition from a historically closed minerals economy to one that is globally and regionally integrated, low carbon, inclusive and promoting dynamism in the industries of the future."

These are key enabling measures for the country to address the socio-spatial and infrastructural disparities of the Apartheid legacy, which continue to limit economic participation and equitable access to basic services for marginalised communities.

The Sustainable Infrastructure Development Symposium of South Africa (SIDSSA) will launch the construction book to showcase infrastructure projects from the government and State-Owned Companies (SOC) that will be procured during the 2024/2025 fiscal year. The construction book serves as a great resource to inform key decisions within the construction industry regarding short-term business planning and resourcing.

This first publication of the construction book focuses on network sectors which include transport, electricity, water, and port logistics projects. The projects showcased in this publication would create much-needed job opportunities while stimulating South Africa's construction sector and the broader economy. In future, additional sectors will be included in the book. The book provides the project name, description and the potential procurement date for each project, highlighting the potential quarter the project may go to market. There are currently 153 projects included with a total capital expenditure of R158.54 billion across the network sectors. The potential impact of these projects is significant with several beneficial effects once these projects are in construction, which include job opportunities and the additional benefit of improving income levels.

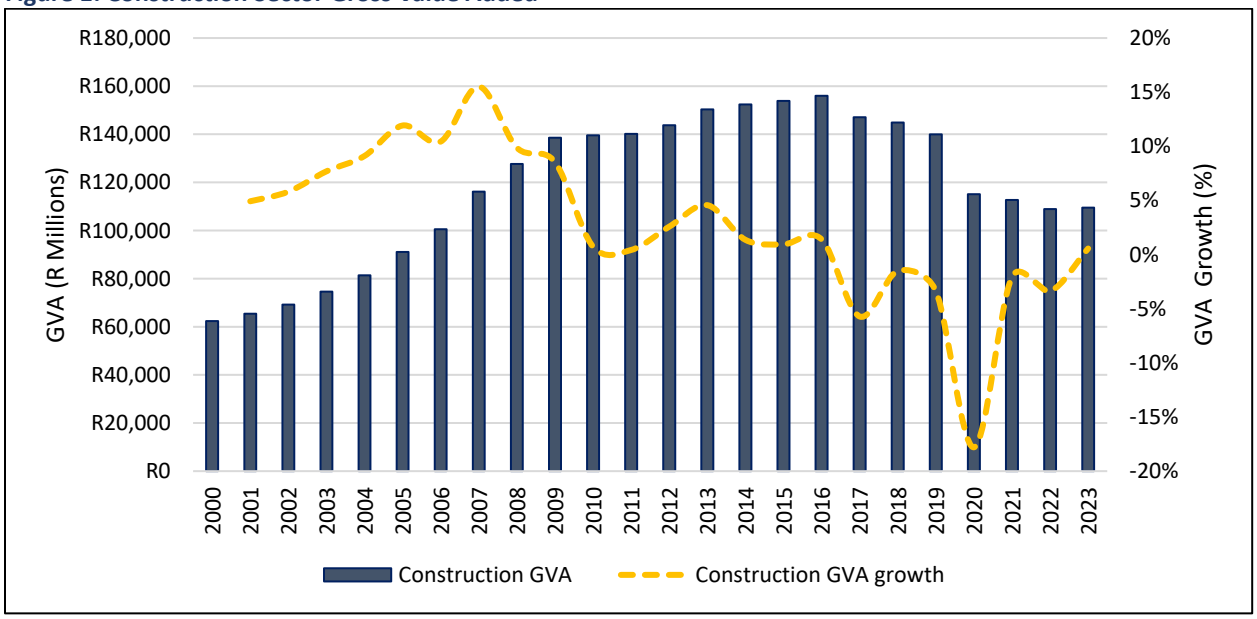
We are thrilled to launch the Construction Book 2024/25 which features great opportunities for the construction sector and the spill over into the broader economy.

Overview of the Construction Sector in South Africa

The construction industry in South Africa plays a crucial role as it is a key driver of socio-economic development and economic growth, and contributes significantly to the GDP and employment in the national economy. The industry contributed about 2.6% to the national economy in 2022 and peaked in 2016 with a contribution of almost 4% to the economy. The construction industry has faced challenges in recent years that have resulted in a decline in construction activities, also noting the adverse impact of COVID-19 regulations on the industry. Several reasons attributed to the decline in the industry, which include budget constraints in public infrastructure spending, economic stagnation and sluggish growth, the impact of loadshedding and electricity infrastructure issues, high inflation contributing to increases in material costs, labour shortages, and construction mafia who cause major development disruptions leading to delays, cost overruns and abandonment of infrastructure projects.

Targeted development within sectors such as energy, water, transport and telecommunications aligns with the objectives of the National Infrastructure Plan 2050 (NIP 2050) Phase 1 and the key sectors identified for infrastructure development to transform the country's economic landscape, create jobs, and improve the delivery of basic services. Furthermore, the implementation of infrastructure projects in line with the strategic priorities of the country will assist with ensuring that the targets set in the National Development Plan 2030 (NDP2030) of 30% capital formation to GDP are realised.

Figure 1: Construction Sector Gross Value Added



Source: StatsSA

The industry has experienced a relatively long period of decline in growth, which is shown by the decline from 2007 to 2020 due to a variety of external shocks as well as internal challenges in the country. These include policy uncertainties, governance challenges and structural challenges within the industry amongst others[1]. Employment in the industry has remained relatively stable since 2012, with slight increases leading to 2018 and a downward trend since then.

[1] Reflections on the Performance of South Africa's Construction Industry: Hope Beyond Covid-19 Effects

Sectoral Overview

The sectoral overview focuses on infrastructure sectors with large–scale construction projects in alignment with the NIP 2050 Phase 1, focusing on projects in the procurement stage and construction in future. The particular projects and programmes identified will help deliver national and provincial strategic objectives. The following subsections focus on the respective infrastructure sectors, providing an overview of the sector using various economic indicators, actual public infrastructure spending, and the project details to present a list of projects with investment potential and collaborative opportunities for the market.

Electricity, Gas and Water Sector

The utilities industry refers to a service that includes electricity, gas, and water, which is crucial for social and economic development across the country. It is often regulated by the government through the regulatory framework and regulatory bodies such as NERSA. The various components of the industry are discussed below.

The table below illustrates the employment numbers in 2012 and 2022 for the industry.

Table 1: Electricity, Gas and Water Employment Numbers

Employment Numbers	2012	2022	Employment change
Electricity, gas and water	67 034	67 571	537 ⇧

Source: Quantec and ISA calculations

The industry had a relatively small increase in employment over the decade, which implies slow growth in employment opportunities annually. The sector has potential for employment growth once infrastructure expansion takes place with new infrastructure to help curb water shortage and loadshedding challenges.

Energy Sector

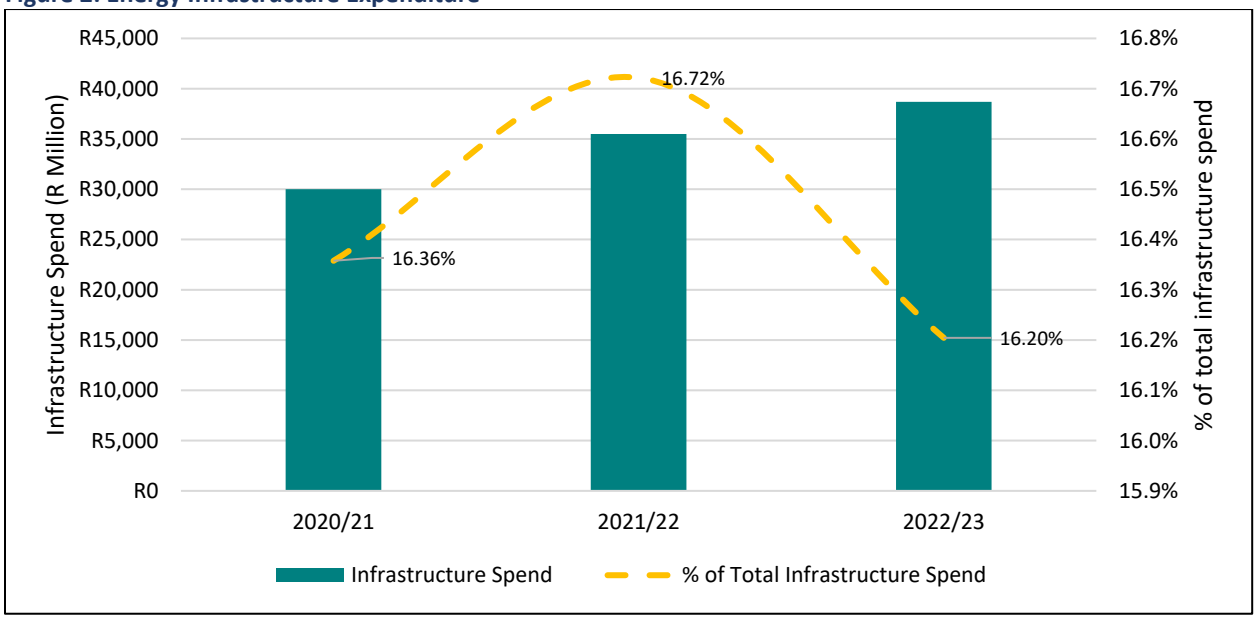
A stable energy sector promotes economic growth and development through adequate investment in energy infrastructure. In South Africa, the energy sector plays a crucial role in supporting economic development and meeting the energy needs of its citizens. South Africa faces several energy challenges, including ageing infrastructure, supply constraints, and intermittent power outages. Eskom, the state-owned enterprise responsible for electricity supply, has struggled with financial difficulties and operational issues, raising concerns regarding the reliability and affordability of electricity supply.

Historically, the country has heavily relied on coal for its electricity production. Still, it is diversifying its energy mix by investing in renewable energy sources such as wind, solar, and hydroelectric power. The Renewable Energy Independent Power Producer Procurement (REIPPP) program is a significant investment in renewable energy projects aimed at increasing the share of renewable energy in the country's electricity mix and reducing reliance on fossil fuels. The Integrated Resource Plan (IRP) outlines the country's long-term energy strategy, which includes targets for renewable energy deployment. This is expected to contribute to the phasing out of coal-fired power plants and the increased deployment of renewable energy technology across various sectors. Although this transition will pose significant economic challenges, it is also expected to provide employment opportunities, promote industrial development, and generate export earnings. Moreover, the country is committed to reducing greenhouse

gas emissions and addressing climate change through renewable energy deployment, energy efficiency initiatives, and adaptation strategies.

Improving energy access remains a top government priority. South Africa has developed energy policies and regulatory frameworks to promote sustainable development, enhance energy security, and facilitate investment in the energy sector. The figure below illustrates the actual infrastructure spending for the energy sector over the past three financial years.

Figure 2: Energy Infrastructure Expenditure



Source: NT Budget Review and ISA calculation

The actual spending increased to close to R40 billion in the 2022/23 financial year, showing the power generation capacity expansion. Energy infrastructure spending is 16.20% of the total infrastructure spending for the 2022/23 financial year.

Energy Sector Projects

The projects in the energy sector are provided below, which shows the number of projects provided as well as the **cumulative project value** for the projects. A ***sample of the list of projects*** will be provided with the full list of projects, along with relevant project details, in **Annexure B**.

The visual below provides a summary of the types of projects within the sector.

	Energy Projects	18 projects	R 38.32 Billion total cost value

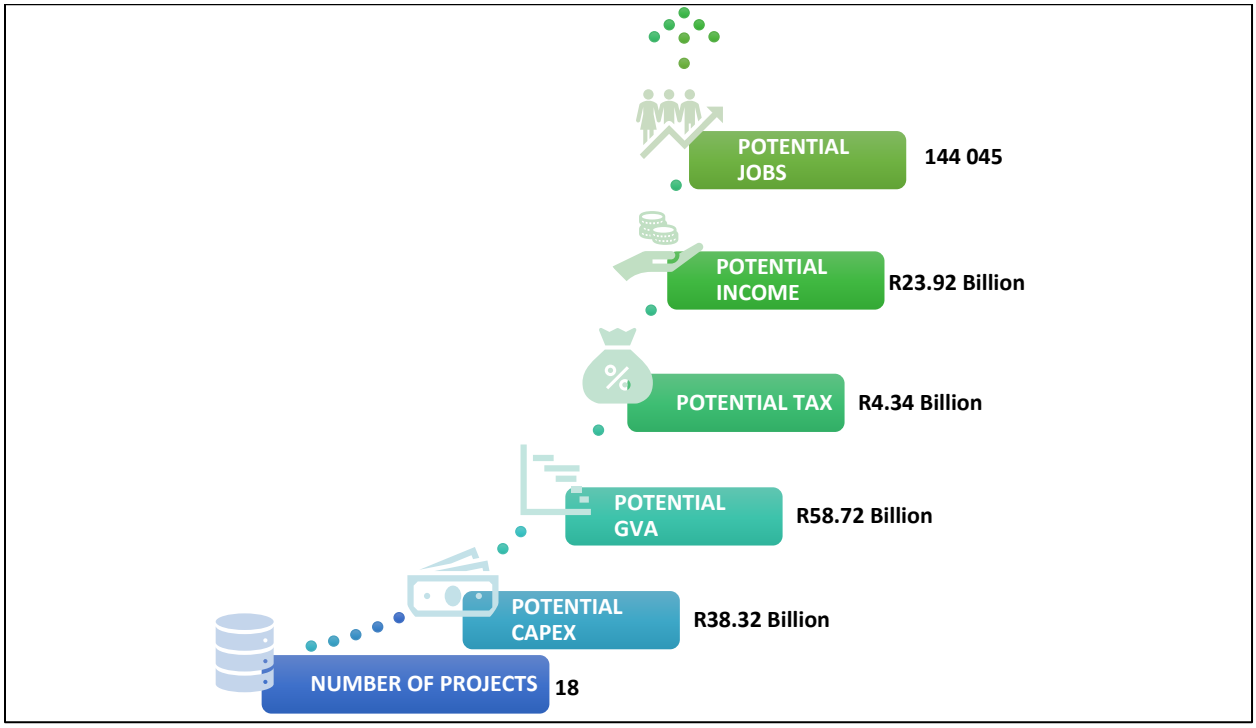
The table below provides the list of energy sector projects and shows the name, description as well as potential timeline for procurement of the project. The table shows a selection of the total projects, with the full list available in **Annexure B.**

Table 2: Energy Sector Projects

ENERGY SECTOR PROJECTS			
	Project Name	**Project Description**	**Possible Procurement Timeline**
1	Emkhiweni 400/132kV S/S Integr Ph 1A	New Emhikweni substation with 2 x 6 km 400kV loop lines into Arnot -Kendal lines and replace earth wire on the existing Arnot – Kendal line with OPGW and ACSR conductor	Quarter 1
2	IPP Highveld South Phase 2 Wonderkrag	Phase 2 - New Mulalo MTS - 5 x 500MVA, 400/132kV transformers - Busbar Reactors - Loop/Turnins from Kriel - Tutuka 400kV line - Loop/Turnins from Kriel - Zeus 400kV line - 8 x 132kV Feeder Bays	Quarter 1
3	Upington Str: Aries-Upington 400kV line 1 - IPP	Aries-Upington 1st 400kV Line (145 km)	Quarter 1
4	Erica MTS + Phillipi-Erica 400kV Line	2x500MVA 400/132kV Erica Substation and 12km 400kV D/C line loop in-out of Stikland-Pinotage 400kV line. Installation of 400kV busbar and 3rd 400/132kV 500MVA TRFR at Phillipi substation. 10km New Phillipi-Mitchells Plain (Erica) 400kV Line	Quarter 1
5	KOEBERG 400KV BUSBAR RECONFIG & TRANS	New 2x250MVA 400/132kV GIS substation and deviation of associated 400kV & 132kV lines.	Quarter 1

Cumulative Impact of the Energy Sector Projects

The figure below provides a visual representation of the potential cumulative impact of the projects within the energy sector.



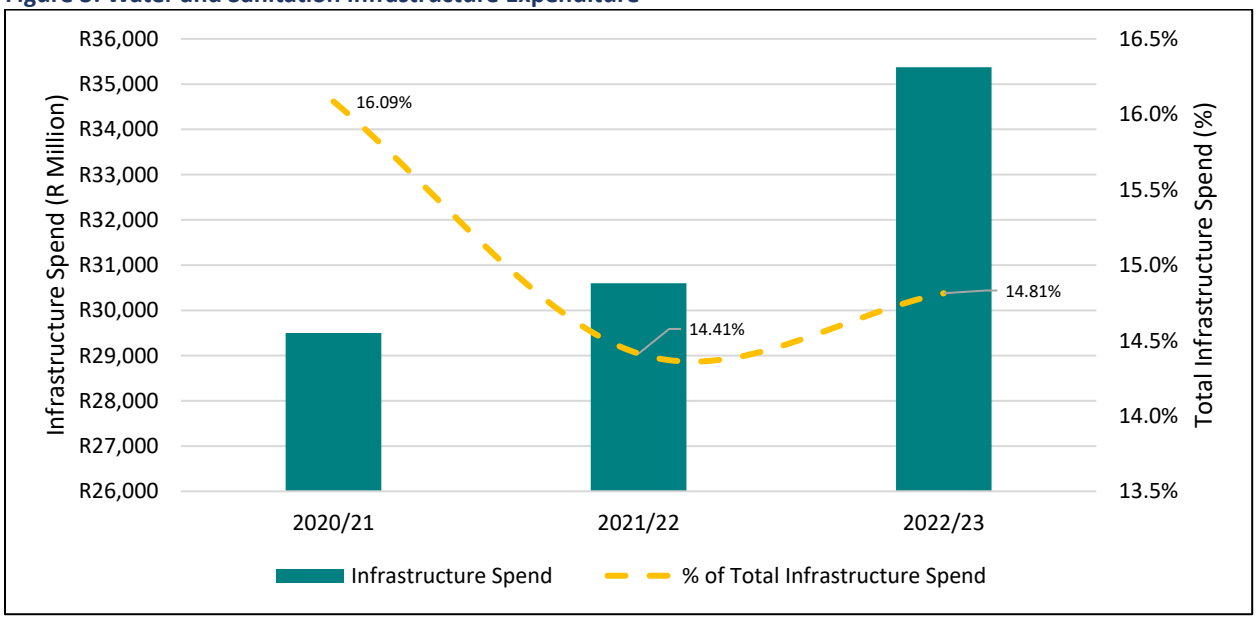
Water Sector

The water sector is divided into two main sub-sectors being water resources management and water services provision noting the importance of water in society and as a critical input for various economic activities. Water security relies primarily on fresh surface water, desalination, and groundwater. Surface water is limited, which points to the need for resilient water systems for the future. The water systems will augment the current water supply with additional water sources such as groundwater, seawater, spring water, fog harvesting, and rainwater harvesting. Water quantity and quality are essentially linked with groundwater recharged from surface water runoff. The deteriorating water infrastructure has presented a new challenge which is likely to constrain various economic activities such as the construction sector, which is likely to impact development adversely based on the current trajectory.

Water infrastructure provides important benefits for promoting public health, improving the economy, and conserving the environment. Ensuring water security through renewed infrastructure is key to sustainable economic recovery and growth and achieving universal access to clean water and sanitation. Investment in water infrastructure is essential for refurbishing and upgrading existing systems as well as constructing new infrastructure to support the growing population and foster economic growth and societal development.

The figure below illustrates the actual infrastructure spending for the water and sanitation sector over the past three financial years.

Figure 3: Water and Sanitation Infrastructure Expenditure



Source: NT Budget Review and ISA calculation

Water and sanitation infrastructure spending is 14.81% of the total infrastructure spending for the 2022/23 financial year. The actual spending increased to close to R35 billion in the 2022/23 financial year, showing that water expansion and maintenance infrastructure are necessary to avoid potential water shedding.

Water Sector Projects

The projects in the water sector are provided below which shows the number of projects as well as the **cumulative project value** for the projects. A ***sample of the list of projects*** will be provided with the full list of projects, along with relevant project details, in **Annexure B**.

The visual below provides a summary of the projects within the sector.

	Water Projects	3 projects	R 32.10 Billion total cost value

The table below provides the list of water sector projects and shows the name, description as well as potential timeline for procurement of the project. The table shows a selection of the total projects, with the full list available in **Annexure B.**

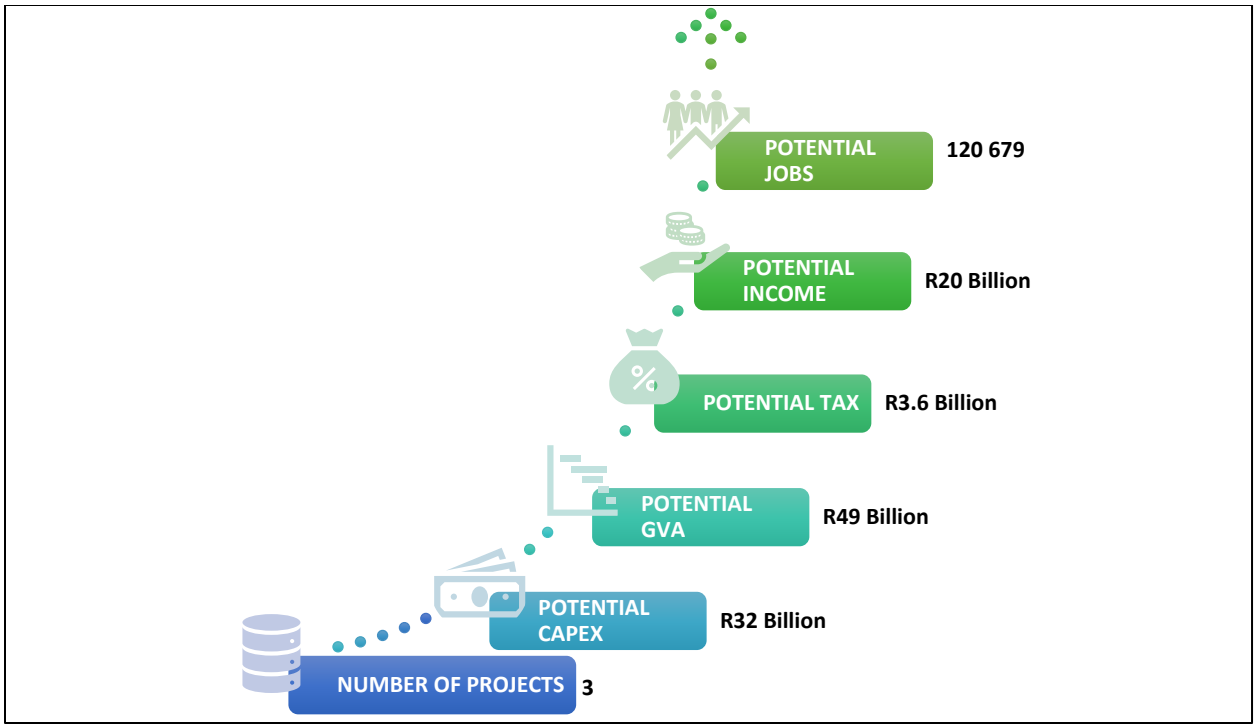
Table 3: Water Sector Projects

WATER SECTOR PROJECTS			
	Project Name	**Project Description**	**Possible Procurement Timeline**
1	uMkhomazi Water Scheme (Umwp-1)	Water requirement projections indicate that the Mgeni System is experiencing a deficit and therefore there is a need for additional water resources, hence uMWP-1. The uMWP-1 project will be an inter-basin water transfer scheme by which the raw water will be stored in the	Quarter 2 (25/26)

WATER SECTOR PROJECTS			
	Project Name	**Project Description**	**Possible Procurement Timeline**
		uMkhomazi River catchment and transferred to the Mgeni River. The project will increase the yield of the Mgeni Water Supply System by 220 million m3 per annum, increasing the current yield of the system from 394 million m3 to 614 million m3 per annum.	
2	Magalies Water Board Capital Infrastructure Programme: Klipvouu Bulk Water Supply Scheme	The Project is an R5.2 billion regional bulk water scheme aiming to supply reliable and sustainable bulk potable water to Moretele North in the North-West and Bela-Bela, Modimolle, Mookgophong and Mokopane municipalities in Limpopo. The Moretele Local Municipality (MLM) in the North-West is predominantly rural and has a low tax base, whereas Bela-Bela, Modimolle, Mookgophong and Mokopane Local Municipalities in Limpopo are mostly urban areas. The water scheme covers two provinces North West and Limpopo. The raw water resource, the Klipvoor Dam, is located approximately 60 kilometres (km) North of Brits in the North West Province. The primary and secondary pipelines straddle circa 200 km across various towns and municipal boundaries in Limpopo up to Mokopane in the Mogalakwena Local Municipality within the Waterberg region.	Quarter 2
3	Magalies Water Board Capital Infrastructure Programme: Pilanesberg Bulk Water Supply Scheme Phase 2 (PSBWSS 2)	The Pilanesberg Bulk Water Supply Scheme (PBWSS) Phase - 2 is a R2.9 billion project, aiming to augment supply and to ensure sustainable bulk potable water to the Rustenburg, Moses Kotane and Thabazimbi Local Municipalities. The main objective of the Project is to provide short to medium-term solutions to the water supply shortages that are currently experienced in the Project's area.	Quarter 3

Cumulative Impact of the Water Sector Projects

The figure below provides a visual representation of the potential cumulative impact of the projects within the water sector.



Transport, Storage and Communication Sector

The transport, storage and communication industry involves the transportation, storage, and communication of goods and services. It includes various modes of transportation such as road, rail, water, and air transport, as well as supporting activities such as the operation of railway stations, terminal and parking facilities, cargo handling and storage, traffic control activities, navigation, pilotage and berthing activities. The industry is crucial for effective communication and efficient movement of goods is essential for businesses to compete.

The table below illustrates the employment numbers in 2012 and 2022 for the industry.

Table 4: Transport, Storage and Communications Employment Numbers

Employment Numbers	2012	2022	Employment change
Transport, storage and communication	669 917	619 569	-50 348

Source: Quantec and ISA calculations

The industry had a significant decline in employment over the decade, with over 50 thousand job losses since 2012. This outcome may be due to the fluctuating performance of the industry, noting the positive trend towards the end of 2023[2]. An injection of projects in this regard has the potential to change the current realities and continue the current trend.

[2] South Africa's Economy Narrowly Avoids a Recession

Transport Sector

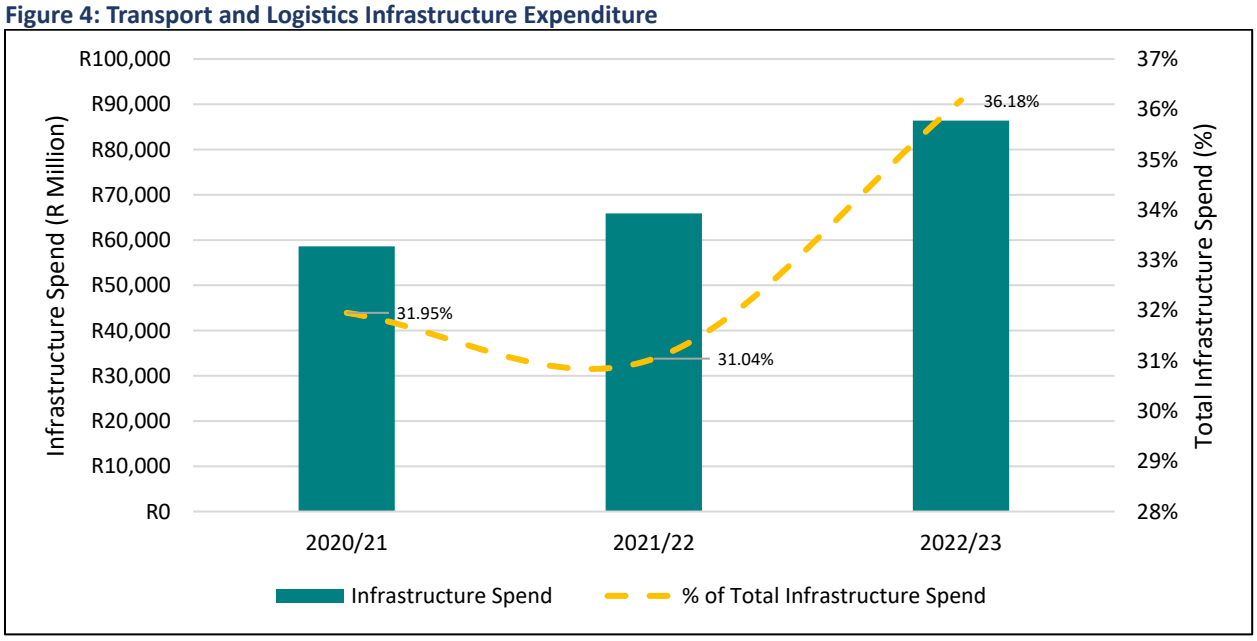
The transportation freight sector is crucial in global trade, supply chain management, and economic development. In South Africa, the transport freight sector is pivotal for the country's economy as it facilitates domestic and international trade. It involves the movement of goods from one location to another through various modes of transportation, such as trucks, trains, ships, aeroplanes, and pipelines. This sector encompasses several areas, including logistics and supply management, technology and innovation, regulation and compliance, environmental impact, global trade, and economic challenges.

Road congestion and maintenance issues can affect the efficiency of the road network. Rail transport is essential for bulk commodities such as coal, iron ore, and manganese, mainly for long-distance hauls from mining areas to ports. The country's major ports, including Durban, Cape Town, and Gqeberha (Port Elizabeth), are crucial for international trade and handle imports and exports through container ships and bulk carriers. Air transport plays a significant role in transporting high-value and time-sensitive goods, particularly to and from major airports like OR Tambo International Airport in Johannesburg.

Logistics and supply chain management involve warehousing, distribution centres, and integrated supply chain solutions, where the movement of goods is effectively managed. However, the sector faces challenges related to transport infrastructure, such as road congestion, rail capacity constraints, and port inefficiencies. Therefore, investing in infrastructure development and maintenance is crucial to improving the competitiveness of the transport freight sector.

The figure below illustrates the actual infrastructure spending for the transport and logistics sector over the past three financial years.

Figure 4: Transport and Logistics Infrastructure Expenditure



Source: NT Budget Review and ISA calculation

Transport and Logistics infrastructure spending is 36.18% of the total infrastructure spending for the 2022/23 financial year. The bulk of spend will be in the transport and logistics sector.

Transport Sector Projects

The projects in the transport sector are provided below, which shows the number of projects as well as the **cumulative project value** for the projects for road, rail, port and airport projects. A ***sample of the list of projects*** will be provided with the full list of projects, along with relevant project details, in **Annexure B**.

The visual below provides a summary of the types of projects within the sector.

	**Road Projects**	123 projects	R 60.4 Billion total cost value
	**Rail Projects**	2 projects	R 10.11 Billion total cost value
	**Ports Projects**	3 projects	R 9.82 Billion total cost value
	**Airport Projects**	4 projects	R 7.80 Billion total cost value

The table below provides the list of transport sector projects and shows the name, description as well as potential timeline for procurement of the project. The table shows a selection of the total projects, with the full list available in **Annexure B.**

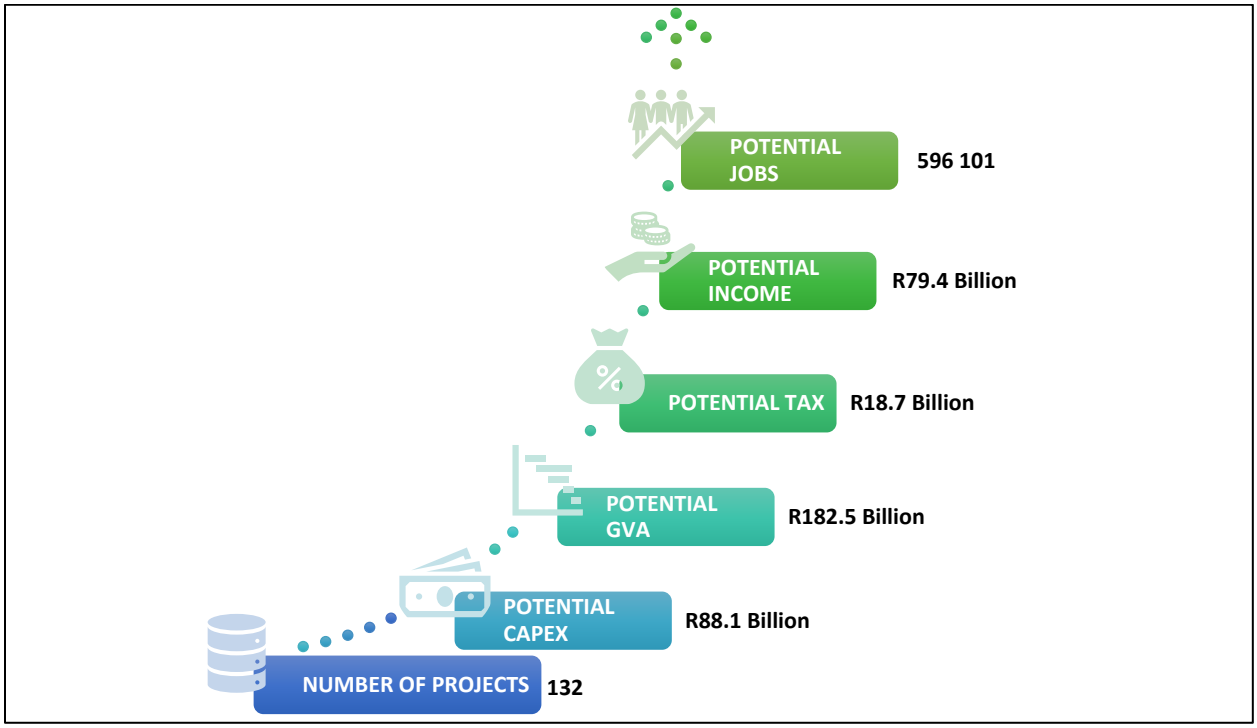
Table 5: Transport Sector Projects

TRANSPORT SECTOR PROJECTS			
	Project Name	**Project Description**	**Possible Procurement Timeline**
1	Coale 81Mtpa	Upgrade rail capacity for Richard's Bay Coal Terminal (RBCT) coal expansion to 81 Mtpa. Increased from 71 Mtpa.	Quarter 2
2	Botswana Rail Link (Mmamabula - Lephalale Rail)	The development of a new coal rail line linking Botswana and South Africa	Quarter 2
3	Berth A100 for Liquid Bulk	TNPA is planning on construction of liquid bulk Berth at A100 location which will include marine infrastructure, bulk services and associated Common User Infrastructure at the Port of Ngqura. This Liquid Bulk Terminal will be the main liquid fuels supply hub for Nelson Mandela Bay and surrounding areas and will replace the Port of Port Elizabeth Liquid Bulk Terminal.	FY 24/25
4	DCT Berth 203 to 205 reconstruction, deepening and lengthening	The project entails the construction of new Berths 203 to 205 at the North Quay of Pier 2 Durban Container Terminal (DCT). The proposal is to lengthen the berths from 914m to 1210m and deepen the berths from -12.8m CD to 16.5m CD. This will enable the terminal to safely handle larger vessels up to LoA of 350m.	FY 24/25
5	ORTIA Cargo Development	Cargo development to accommodate cargo throughput up to 750 000 tonnes per annum.	FY 24/25

TRANSPORT SECTOR PROJECTS			
	Project Name	**Project Description**	**Possible Procurement Timeline**
6	CTIA: Expansion of Terminal Buildings	Expansion of arrivals and departures capacity to accommodate future demand	FY 24/25
7	Construction of road section	Construction services for Commercial Rd I/C and Pedestrian Bridge (N2/11km30-km33 and R75/1km0-km13)	Quarter 1
8	Construction of road section on N2 highway	Construction services for Phase 3 Mbokotwana (km 38.0) to Qumbu (km52.0) (N2/19km38-km52)	Quarter 1
9	Witriviersprui Bridge Project on R40	Improvement of the Witriviersprui Bridge widen 23.54 on National Road R40 section 4	Quarter 2
10	National Route N2 Improvement	The Improvement of National Route N2 section 1 from Swartklip to Baden Powell.	Quarter 4

Cumulative Impact of the Transport Sector Projects

The figure below provides a visual representation of the potential cumulative impact of the projects within the transport sector.



Concluding Remarks

The Construction Book 2024 provides a highlight of the construction industry performance, also illustrating the value chain to illustrate the interlinkages to the broader economy. The book further provides a brief overview of the key infrastructure sectors along with the projects for the sector and the cumulative project value for the respective sector. A sample list of the projects is provided under each sector as well as the cumulative potential impacts thereof.

The projects identified are expected to be market-ready for the 2024/25 financial year. A summary of the sectors is provided below with the potential cumulative impacts shown for the respective sectors.

ENERGY SECTOR		
 **Energy Projects**	18 projects	R 38.32 Billion total cost value

A summary of the potential cumulative impacts on the water sector is provided in the table below.

Projects	CAPEX	Potential GVA	Potential Jobs	Potential Tax	Potential Income
18	*R38.32 Bn*	*R58.72Bn*	*144 045*	*R4.34 Bn*	*R23.92 Bn*

WATER SECTOR		
 **Water Projects**	3 projects	R 32.10 Billion total cost value

A summary of the potential cumulative impacts on the water sector is provided in the table below.

Projects	CAPEX	Potential GVA	Potential Jobs	Potential Tax	Potential Income
3	*R 32.10 Bn*	*R 49.20 Bn*	*120 679*	*R 3.63 Bn*	*R 20.04 Bn*

[TRANSPORT SECTOR		
 **Road Projects**	123 projects	R 60.4 Billion total cost value
 **Rail Projects**	2 projects	R 10.11 Billion total cost value
 **Ports Projects**	3 projects	R 9.82 Billion total cost value
 **Airport Projects**	4 projects	R 7.80 Billion total cost value

A summary of the potential cumulative impacts on the transport sector is provided in the table below.

Projects	CAPEX	Potential GVA	Potential Jobs	Potential Tax	Potential Income
132	*R88.13 Bn*	*R 182.5 Bn*	*596 101*	*R18.69 Bn*	*R79.42 Bn*

Annexure A

Overview of the Construction Sector in South Africa

The construction industry in South Africa plays a crucial role as it is a key driver of socio-economic development and economic growth, and contributes significantly to the GDP and employment in the national economy. The strategic importance of the industry must be highlighted as it employed well over 1.2 million people in 2021 with an approximate value of R111 billion to total GDP mainly driven by the construction of buildings as well as the construction of civil engineering structures. The industry contributed about 2.6% to the national economy in 2022 and peaked in 2016 with a contribution of almost 4% to the economy. The industry outlook suggests a growth of about 3% annually from 2024 to 2027[3].

The construction industry has faced challenges in recent years that have resulted in a decline in construction activities, also noting the adverse impact of COVID-19 regulations on the industry. Several reasons attributed to the decline in the industry, which include budget constraints in public infrastructure spending, economic stagnation and sluggish growth. The industry also faces significant challenges including the impact of loadshedding and electricity infrastructure issues, high inflation contributing to increases in material costs which are also in short supply, as well as funding access and labour shortages noting the increasing cost of skilled labour[4]. A key hindrance to note is the construction mafia who cause major development disruptions leading to delays, cost overruns and abandonment of infrastructure projects. The losses associated with the disruptions were about R40.7 billion in 2020 across the nation.

The construction industry has played a key role in the country's infrastructure development, which is considered a strength in the context of Africa. This is mainly due to the experience and skills within South Africa, noting that the industry is well-established relative to several African states. Infrastructure development is crucial for the industry as it creates a conducive economic environment that can support the growth and sustainability of economic activities. This highlights the need to attract investment and necessitates increased expenditure on infrastructure from both the public and private sectors. Closing the infrastructure gap is essential to ensure the development, spatial integration, and exploration of economic opportunities to unlock the latent potential within the South African economy.

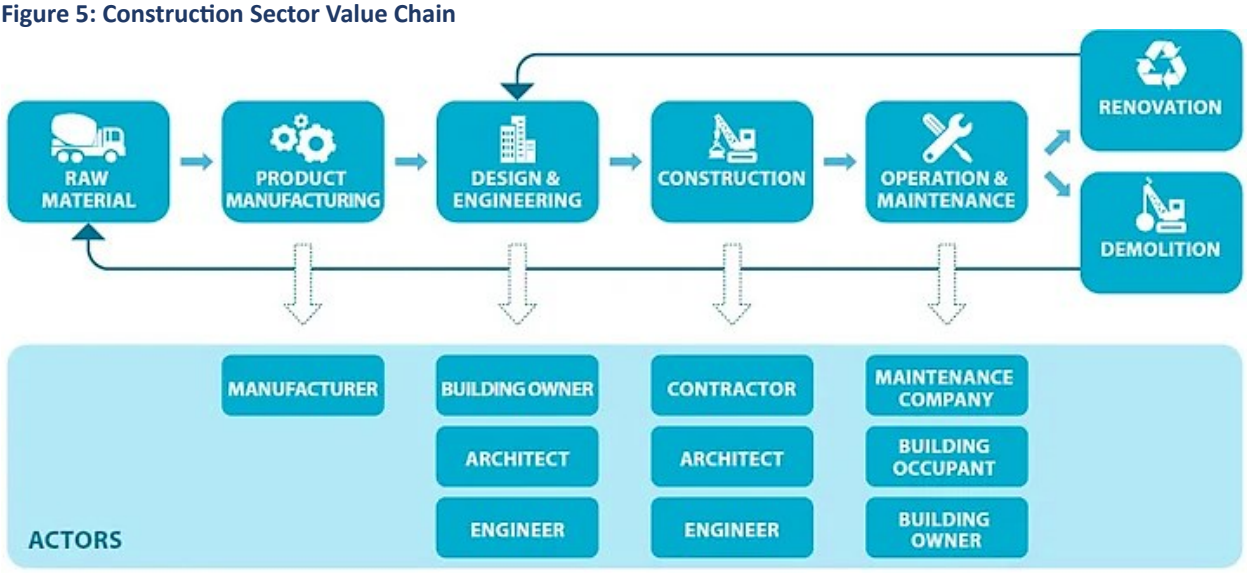
Improving infrastructure expenditure and attracting targeted investment in infrastructure will pave the pathway to prosperity, which aligns with the country's Economic Reconstruction and Recovery Plan in network infrastructure such as energy, water, transport and telecommunications[5]. Targeted development within these sectors aligns with the objectives of the National Infrastructure Plan 2050 (NIP 2050) Phase 1 and the key sectors identified for infrastructure development to transform the country's economic landscape, create jobs, and improve the delivery of basic services. Furthermore, the implementation of infrastructure projects in line with the strategic priorities of the country will assist with ensuring that the targets set in the National Development Plan 2030 (NDP2030) of 30% capital formation to GDP are realised, specifically through partnerships with the private sector and coordinated mobilisation of resources towards reigniting the construction industry and boosting confidence in the performance of the South African economy.

[3] South Africa Construction Market Size, Trend Analysis by Sector, Competitive Landscape and Forecast to 2027
[4] 8 Major Challenges Facing the Construction Industry in SA (And How to Solve Them)
[5] 2023 Outlook for the South African Construction Industry

Construction Sector Value Chain

The construction sector involves various activities from various parts of the economy. These activities can be summarised as a value chain, which shows the processes involved in creating buildings and infrastructure. This approach aids in identifying key activities that contribute to the overall value creation and understanding how these activities are intertwined. The figure below illustrates the value chain associated with the construction sector and the key actors.

Figure 5: Construction Sector Value Chain



Source: Construct360[6]

The sector's value chain shows backward linkages to primary sector industries such as mining and quarrying activities, where raw inputs are extracted. These inputs are transformed into building materials (such as steel, concrete and cement, glass, plastics, etc.) through the manufacturing process. The materials produced are used for the construction of a variety of buildings and infrastructure. These constructions can be used in various ways such as real estate and the use of infrastructure such as roads, schools and healthcare facilities. To ensure the sustainability of the buildings and infrastructure, maintenance and renovation services will be required for the useful life of the buildings and infrastructure.

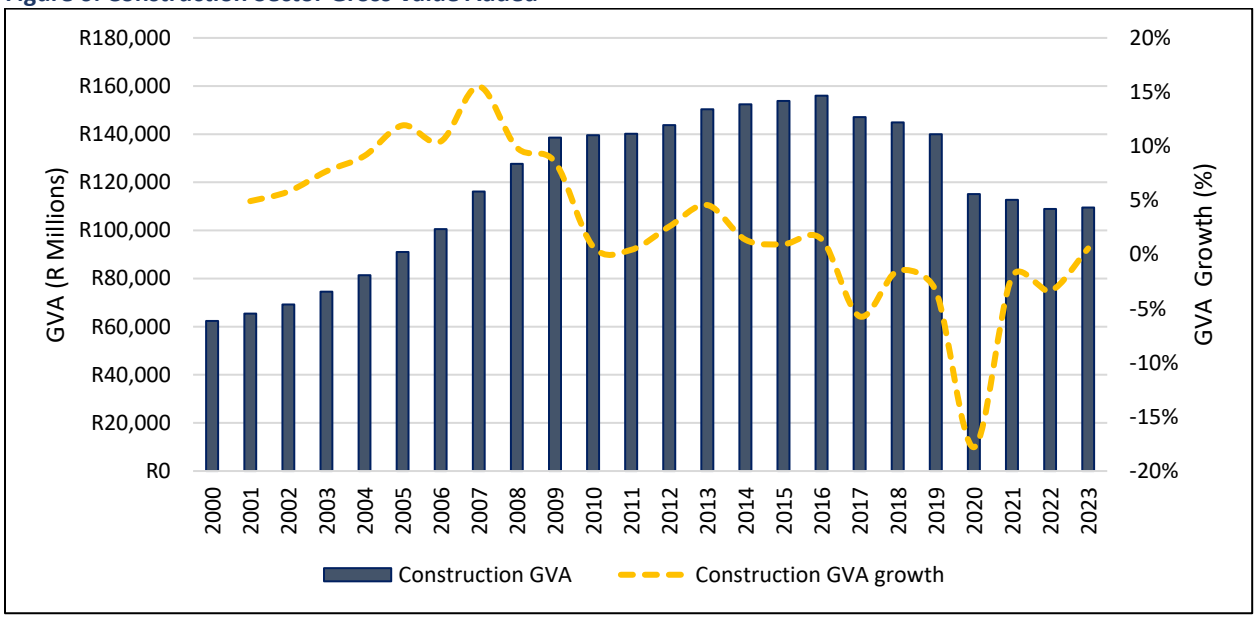
The construction sector's value chain shows its importance for economic development through its linkages to various parts of the economy. It further shows the need for infrastructure development as the catalyst for growth and sustainability of the economy in the long run. Noting the above, identifying key infrastructure projects and implementation are crucial to reigniting the construction sector and the economy at large.

[6] Value Chain in Construction – Construct360

Construction Sector Performance

The construction sector plays a vital role in economic development and job creation in South Africa as it is innovative and adapts to environmental changes, enabling high economic output and growth rates. The sector has experienced a decline in recent years due to a shortage of skills, low investment, construction mafias, procurement inconsistency, etc. However, it is showing an upward trajectory since 2020 likely due to the need to maintain the existing infrastructure and construct new resilient infrastructure. The figure below shows the historic trends of the gross value added[7] (GVA) and growth thereof for the construction industry since 2000.

Figure 6: Construction Sector Gross Value Added



Source: StatsSA

Important to note is that the industry has experienced a relatively long period of decline in growth, which is shown by the decline from 2007 to 2020 due to a variety of external shocks as well as internal challenges in the country. These include policy uncertainties, governance challenges and structural challenges within the industry amongst others[8]. The impact on confidence in the industry has been adverse, noting the declining trend in confidence indices for the industry which illustrates major dissatisfaction with the prevailing business conditions and environment. The industry remains under strain in the country, noting that it is currently performing below pre-COVID levels.

Employment in the industry has remained relatively stable since 2012, with slight increases leading to 2018 and a downward trend since then. Noting the above, employment growth suggests a downward trend until 2020, similar to the trend of the GVA illustrated above. The provincial breakdown of the industry employment is provided in the table below, which shows the employment numbers as well as the growth over 10 years. It also provides the contribution of each province to total construction industry employment.

[7] GVA is a proxy for GDP, which represents the value of labour and capital used in producing goods and services. GVA is measured at basic prices, excluding taxes on products but including subsidies:

GDP (at market prices)= GVA (at basic prices) + taxes on products less subsidies on products

[8] Reflections on the Performance of South Africa's Construction Industry: Hope Beyond Covid-19 Effects

Table 6: Construction Sector Employment by Province

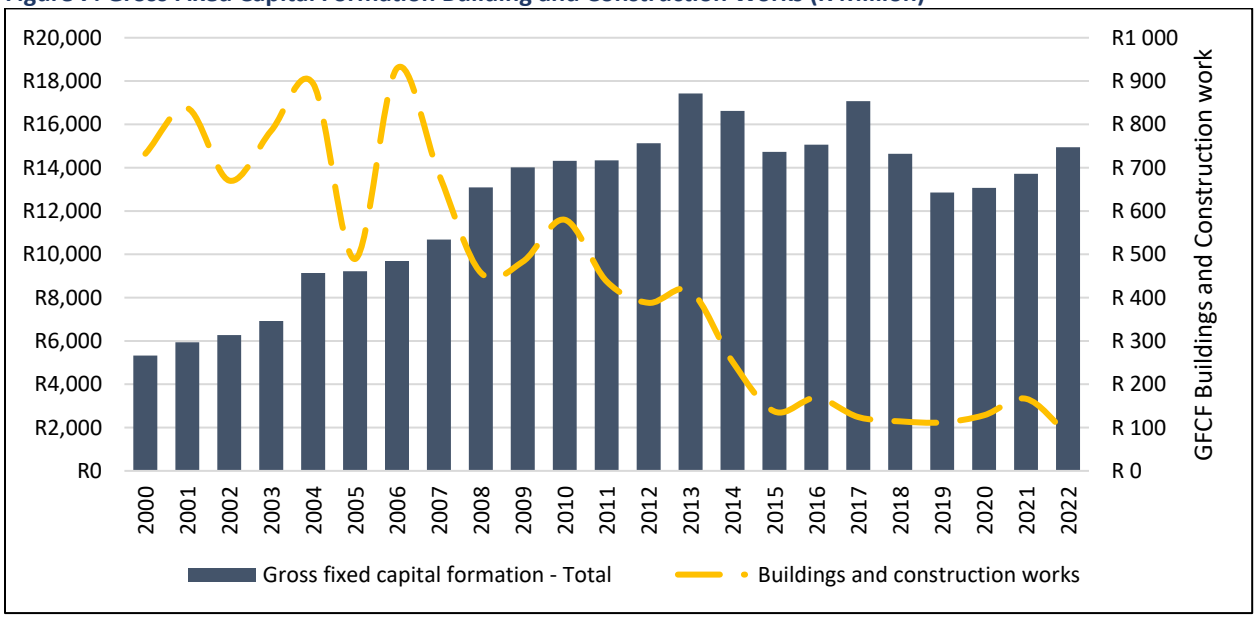
Construction Employment	2013	2023	Growth (2023 vs. 2013)	Contribution (%)
South Africa	**1 145 481**	**1 295 960**	**13%**	
Western Cape	158 485	226 823	43%	17,50
Eastern Cape	140 050	131 800	-6%	10,17
Northern Cape	22 644	29 035	28%	2,24
Free State	51 028	40 631	-20%	3,14
KwaZulu Natal	222 021	233 851	5%	18,04
North West	51 536	61 184	19%	4,72
Gauteng	302 545	328 419	9%	25,34
Mpumalanga	87 632	94 306	8%	7,28
Limpopo	109 541	149 910	37%	11,57

Source: Stats SA

The table shows that most provinces had employment growth over the decade in the construction industry, with the largest increases observed in Western Cape and Limpopo provinces respectively. Amongst the provinces, Free State and Eastern Cape provinces had declines over the decade as illustrated in the table above. It is also prudent to note that Gauteng province contributed the most to industry employment in 2023 with over 25% contribution.

A key component related to the industry is gross fixed capital formation (GFCF), which refers to the investment in physical assets within a period. It is important as it serves as a proxy for infrastructure investment. The figure below provides an overview of GFCF since 2000 and also shows the asset category of buildings and construction works.

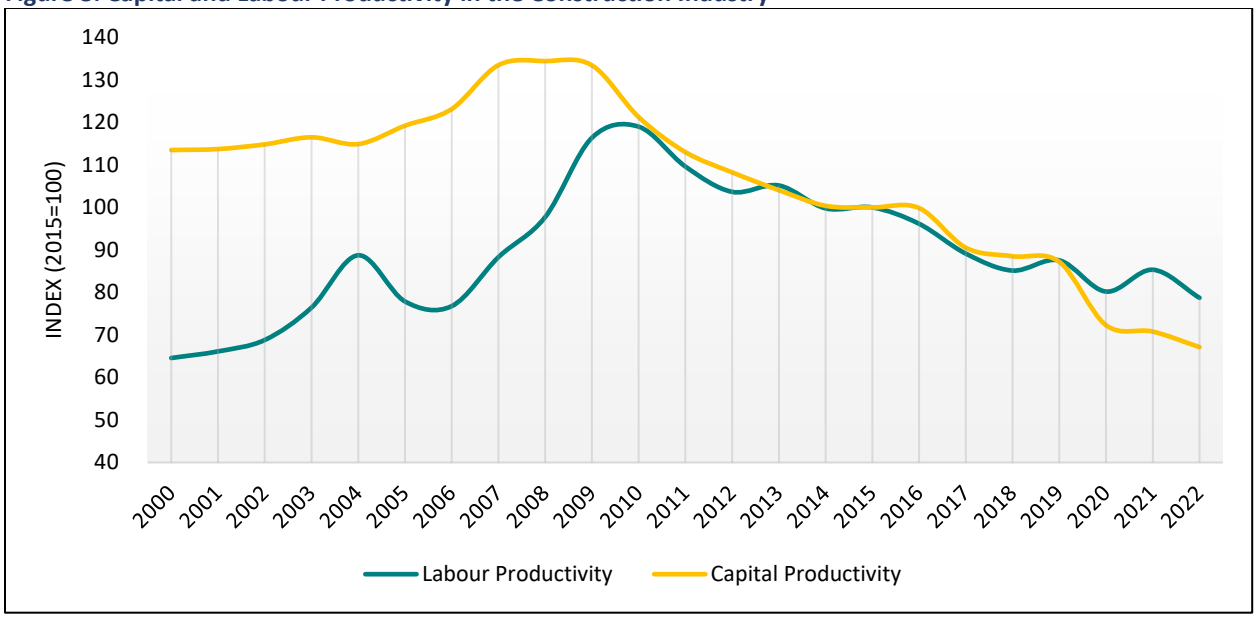
Figure 7: Gross Fixed Capital Formation Building and Construction Works (R Million)



Source: EasyData

Capital formation since 2000 has increased significantly leading to 2022 with the peak seen in 2013 as shown in the figure above. The figure further illustrates that capital formation has been on a steady decline since 2013 but remains higher than pre-2007 levels. The buildings and construction works asset category has had an overall downward trend over the period, with very low levels in recent years as shown in the figure. This decline can have far-reaching implications on economic growth, investment opportunities, employment rates, infrastructure development, and overall productivity levels in the country. The figure below shows the capital and labour productivity for the industry, which refers to how efficiently capital and labour are used to generate output in the industry.

Figure 8: Capital and Labour Productivity in the Construction Industry



Source: EasyData

Capital and labour productivity for the industry have been on a decline for over a decade as shown by the downward trend for both productivity measures leading to 2022. The implications of lowered productivity include higher costs and implementation delays, which are prevalent challenges within the industry. Interesting to note is that the productivity measures have an upward trend and high levels of productivity up until 2019. This may likely be due to the occurrence of the FIFA World Cup where both public and private sector stakeholders were working towards a shared objective. This may suggest a need to ensure coordinated efforts within the industry as well as to ensure participation from both the public sector and private business.

Annexure B

Project List for Electricity, Gas and Water Sector

ENERGY SECTOR PROJECTS		
Project Name	**Project Description**	**Possible Procurement Timeline**
KZN Str Empangeni: Mbewu Substation	Mbewu Substation (GIS) 765/400kV (NEW) 1) 1 x 2000MVA Transformer 2) 1 x 765kV Feeder bay 3) 8 x 400kV Feeder bays 4) Install 765kV Line Reactor 5) Install Bus Bar Reactor	Quarter 1
KZN Str Empangeni: Umfolozi Mbewu line	Umfolozi-Theta (Mbewu) 765kV line (ext of the Majuba - Umfolozi 1 765kV line) 1) Construct 1 x new 765kV Line (97km) 2) Construct 1 x 400kV Feeder bay @ Umfolozi MTS	Quarter 3
Medupi Stability Integration 400kV	Establish new Medupi-Witkop No.1 400kV 200km line on vacant servitude with 400kV feeder bays.	Quarter 1
Emkhiweni 400/132kV S/S Integr Ph 1A	New Emhikweni substation with 2 x 6 km 400kV loop lines into Arnot -Kendal lines and replace earth wire on the existing Arnot – Kendal line with OPGW and ACSR conductor	Quarter 1
IPP Highveld South Phase 2 Wonderkrag	Phase 2 - New Mulalo MTS - 5 x 500MVA, 400/132kV transformers - Busbar Reactors - Loop/Turnins from Kriel - Tutuka 400kV line - Loop/Turnins from Kriel - Zeus 400kV line - 8 x 132kV Feeder Bays	Quarter 1
Upington Str: Aries-Upington 400kV line 1 - IPP	Aries-Upington 1st 400kV Line (145 km)	Quarter 1
Erica MTS + Phillipi-Erica 400kV Line	2x500MVA 400/132kV Erica Substation and 12km 400kV D/C line loop in-out of Stikland-Pinotage 400kV line. Installation of 400kV busbar and 3rd 400/132kV 500MVA TRFR at Phillipi substation. 10km New Phillipi-Mitchells Plain (Erica) 400kV Line	Quarter 1
KOEBERG 400KV BUSBAR RECONFIG & TRANS	New 2x250MVA 400/132kV GIS substation and deviation of associated 400kV & 132kV lines.	Quarter 1

ENERGY SECTOR PROJECTS		
Project Name	**Project Description**	**Possible Procurement Timeline**
Lethabo PV	PV at current stations	Quarter 1
Komati PV	Repowering of Coal Sites	Quarter 1
Komati BESS	Repowering of Coal Sites	Quarter 1
Battery Storage Project	Battery Storage Project	Quarter 1
Kusile 60 yrs ADF	Kusile 60 yrs ADF	Quarter 1
Lethabo Particulate Emissions Reduction (HFT)	Lethabo Particulate Emissions Reduction (HFT)	Quarter 1
Kendal Continuous Ash Dump	Kendal Continuous Ash Dump	Quarter 1
Matimba MV Switchgear Replacement	Matimba MV Switchgear Replacement	Quarter 1
Matimba C&I Replacement Project	Matimba C&I Replacement Project	Quarter 1
Majuba C&I Project	Majuba C&I Project	Quarter 1
Kriel Higher Frequent Transformer	Kriel Higher Frequent Transformer	Quarter 1
Medupi FGD	Retro fit of the FGD system at Medupi PS	Quarter 1

WATER SECTOR PROJECTS		
Project Name	**Project Description**	**Possible Procurement Timeline**
uMkhomazi Water Scheme (Umwp-1)	Water requirement projections indicate that the Mgeni System is experiencing a deficit and therefore there is a need for additional water resources, hence uMWP-1. The uMWP-1 project will be an inter-basin water transfer scheme by which the raw water will be stored in the uMkhomazi River catchment and transferred to the Mgeni River. The project will increase the yield of the Mgeni Water Supply System by 220 million m3 per annum, increasing the current yield of the system from 394 million m3 to 614 million m3 per annum.	Quarter 2 (25/26)
Magalies Water Board Capital Infrastructure Programme: Klipvouu Bulk Water Supply Scheme	The Project is an R5.2 billion regional bulk water scheme aiming to supply reliable and sustainable bulk potable water to Moretele North in the North-West and Bela-Bela, Modimolle, Mookgophong and Mokopane municipalities in Limpopo. The Moretele Local Municipality (MLM) in the North-West is predominantly rural and has a low tax base, whereas Bela-Bela, Modimolle, Mookgophong and Mokopane Local Municipalities in Limpopo are mostly urban areas. The water scheme covers two provinces North West and Limpopo. The raw water resource, the Klipvoor Dam, is located approximately 60 kilometres (km) North of Brits in the North West Province. The primary and secondary pipelines straddle circa 200 km across various towns and municipal boundaries in Limpopo up to Mokopane in the Mogalakwena Local Municipality within the Waterberg region.	Quarter 2
Magalies Water Board Capital Infrastructure	The Pilanesberg Bulk Water Supply Scheme (PBWSS) Phase - 2 is a R2.9 billion project, aiming to augment supply and to ensure	Quarter 3

WATER SECTOR PROJECTS		
Project Name	**Project Description**	**Possible Procurement Timeline**
Programme: Pilanesberg Bulk Water Supply Scheme Phase 2 (PSBWSS 2)	sustainable bulk potable water to the Rustenburg, Moses Kotane and Thabazimbi Local Municipalities. The main objective of the Project is to provide short to medium-term solutions to the water supply shortages that are currently experienced in the Project's area.	

TRANSPORT SECTOR PROJECTS (ROAD)	
Project Description	**Possible Procurement Timeline**
Construction services for Commercial Rd I/C and Pedestrian Bridge (N2/11km30-km33 and R75/1km0-km13)	Quarter 4
Construction services for Upgrade between Ibikia to Tetyana(N2/17km44.0-69.3 and to Section 18 km0.0-24.0)	Quarter 3
Construction services for Phase 2 Qumbu (km 52.0) to Mzeke River (km 55.9) Including the development of a one-way system through Qumbu	Quarter 3
Construction services for Phase 3 Mbokotwana (km 38.0) to Qumbu (km52.0) (N2/19km38-km52)	Quarter 1
Construction services for Fish River to Cradock (N10/3km68.5-km81.6 and Section 4km0 to km1.5)	Quarter 3
Construction services for Rehabilitation of R58 - Section 7km0 to 4.854 and R56 Section 6km49.3 to 50.3	Quarter 4
Construction of R61 sec 6 Tsojana to Tsomo River	Quarter 1
Construction of Tsomo River to Quamanco Phase 2	Quarter 1
Construction services for the crushing of materials from Tsojana (km7) to Tsomo River Phase 1 - Section 6 km 7.3 to km22.9	Quarter 1
Construction services for the crushing of material Mafini to Umngazi: Phase 3 - Section 8km33.35 to km77	Quarter 3
Construction services for Mafini to Umngazi: Phase 3 - Section 8km33.35 to km77	Quarter 2
Construction services for Alexandria to Port Alfred Design (R72/2km1 to km49)	Quarter 4
Drilling services for Alexandria to Port Alfred Design (R72/2km1 to km49)	Quarter 1
Construction services from Fish River to Bihra River (R72/3km27.5 to km49)	Quarter 1
Construction services for R410 Queenstown to Lady Frere Section 1 km0.00 to 37.74 and Section 2 km0.00 to 3.00	Quarter 2
Improvement of National Road R38 section 5 from Badplaas 0.0 to Barberton 66.0	Quarter 4
Improvement of National Road N11 section 13 from km 178 to km 188.1 Groblerbrug Border Post	Quarter 1
The Improvement on National Road R30 Section 8 from Klerksdorp (Km 0.0) To Buffelsvallei (Km 37.0)	Quarter 1
Improvement on National Road R30 Section 9 from Ventersdorp (Km 0.0) to Km 29.0	Quarter 1
The Improvement on National Road R54 section 1 from Potchefstroom (Km 0.0) to NW/GP Border (Km 41.60)	Quarter 1
Improvement of National Road N17 section 5 Oshoek Border Post	Quarter 1
Improvement of National Road R49 section 2 Kopfontein Border Post	Quarter 1

TRANSPORT SECTOR PROJECTS (ROAD)	
Project Description	**Possible Procurement Timeline**
Improvement of the Witriverspruit Bridge widen 23.54 on National Road R40 section 4	Quarter 2
The Upgrade on the National Road R521 Section 1 from Strydomsloop (km 29.9) to Dendron (km 62.3)	Quarter 3
Improvement of National Road R30 section 8 from km 36.8 to Ventersdorp (km 68.8)	Quarter 3
Improvement on National Road R30 Section 9 from Km 29.0 to R24 (Olifantsnek) (km 76.6)	Quarter 3
Widening And Urgent Repair Of Malelane Rail Overpass Bridge No. B1246 on National Road R570 Section 2 (Re-tender)	Quarter 3
The Improvement of National Road N3 sections 1 and 2 in Dwars in die Weg to Heidelberg	Quarter 3
The Improvement of National Road R33 Section 14 from Vaalwater (Km 0.0) to Mmadikiri River (Km 36.9)	Quarter 2
The Improvement of National Road R33 Section 14 from Mmadikiri River (Km 36.9) to Lephalale (Km 85.5)	Quarter 3
The Improvement on National Route N14 section 13 from Ventersdorp (KM 0.0) to North West/Gauteng provincial border (KM 47.9)	Quarter 3
Improvement of National Road R578 section 1 from Nwamatatani (Km 56.0) to R81 (Km 90.7).	Quarter 1
The Improvement of National Road R71 section 3 from Gravelotte (km 0.0) to Mamakgale (km 51.5) Lekkersmaak (km 25.0)	Quarter 4
The Improvement On National Road R518 Section 4 From Zebediela (Km 0.0) To Lebowakgomo (Km 14.5)	Quarter 1
The Improvement of National Route N1 section 1 from Old Oak to Brighton Road	Quarter 4
The Improvement of National Route N1 section 1 from Brighton Road to Koelenhof	Quarter 4
The Improvement of National Route N1 section 2 from Worcester E - Glen Heatlie 10.5km	Quarter 3
The Improvement of National Route N1 section 10 from Waaikraal to Bontebok	Quarter 3
The Improvement of National Route N2 section 1 from Swartklip to Baden Powell.	Quarter 4
Improvement of National Route N14 section 3 from Kakamas to Orange River.	Quarter 4
DICAL: Construction of Unbundled Project: Isipingo I/C to Higginson Highway - Package 1	Quarter 2
DNURT: The upgrade of National Route 2 Section 21 from km 64.71 near Mtamvuma River Bridge to N2 Section 22 (km 5.0) including Port Edward Interchange at km 3.55	Quarter 3
DICAL: Upgrade of National Route N2 Section 22 between Mpenjati River (Km 15.04) and Mbizana River (Km 24.0)	Quarter 3
The drainage improvements on National Route N12 Section 19 between the R24/N12 and Gillooly's interchanges	Quarter 2
Construction services for N2 Butterworth Ring Roads	Quarter 4
Construction services for Viedgesville to Mthatha	Quarter 2
Construction services for N2 Mthatha Ring Road (N2/18km64 to km85 and N2/19Xkm0 to km7.5)	Quarter 3
Construction services for N2WCR to Ndwalane I/c-Ntafufu (N2/19km75.6 tokm92.3)	Quarter 4
Construction services for N2WCR to Ndwalane I/c-Ntafufu	Quarter 3
Construction services for crushing of materials	Quarter 3

TRANSPORT SECTOR PROJECTS (ROAD)	
Project Description	**Possible Procurement Timeline**
Construction of access road at Inguza Hill	Quarter 3
Construction of access road Bambisana to Lingeni	Quarter 3
Construction of access road Bambisana to Lingeni	Quarter 3
Contractor services for the crushing of Material	Quarter 3
Construction services for N2WCR-Mtentu R to Kulumbe (N2/21km3-km21.3)	Quarter 3
Construction services for NN2WCR-Mtentu R to Kulumbe (N2/21km3-km21.3)	Quarter 3
Construction services for crushing of materials N2WCR-Mtentu R - Kulumbe (N2/21km3-km21.3)	Quarter 3
Construction services for N2WCR - Kulumbe to Mtamvuna R (N2/21km21.3-km32.8)	Quarter 3
Construction services for crushing of materials N2WCR - Kulumbe to Mtamvuna R (N2/21km21.3-km32.8)	Quarter 3
Construction services for N2WCR - Kulumbe to Mtamvuna R (N2/21km21.3-km32.8)	Quarter 4
Construction services for Orange River Bridge at Aliwal North (N6/5km45-Section 6km5)	Quarter 1
Construction services for Baziya to Mthatha, Ph 2	Quarter 2
Construction services for the crushing of material Bhisho to N6 Bridge	Quarter 1
New Interchange on National Road N14 section 12 Ventersdorp R30 IC (km 29.4 to km 30.4)	Quarter 1
The Upgrading of National Road R518 Section 2 from Mapeta (km 97.5) to Mokopane (km 102.2)	Quarter 2
The Upgrade On National Road R578 Section 1 From Mahodlogwa (35.8) To Nwamatatani (56.0)	Quarter 2
The Upgrade on the National Road R521 Section 1 from Polokwane (km0) to Strydomsloop (km 29.9)	Quarter 1
The Construction of the Bridge Over Rail on Dr Moroka Road in Rustenburg	Quarter 1
The Upgrading Of National Road R524 Section 1 From Louis Trichardt (Km 0.0) To Albasini (Km 22.0)	Quarter 2
The Upgrade On National Road R511 Section 2 From GP/NW Border (Km 0) To R514 T-Junction (Km 10.3)	Quarter 1
The Upgrade On National Road R511 Section 2 From R514 T-Junction (Km 10.3) To Brits (Km 25.6)	Quarter 1
The Upgrading Of National Road R524 Section 1 From Albasini (Km 22.0) To Tshakuma (Km 43.6)	Quarter 2
The Upgrade On National Road R511 Section 10 From Boshoek (Km 11.2) To Ledig (Km 25)	Quarter 1
The Upgrading Of National Road R573 Section 1 From Km 31.3 To De Wagendrift North (Km 37.4)	Quarter 4
New facilities on National Road R40 section 3 R40-3/3.5 to Witrivier/37.54	Quarter 2
The Upgrading of National Road R574 section 1 from R33 Groblersdal (km 0.0) to R579 Morwaneng (km 38.9)	Quarter 3
The Upgrading of National Road N11 section 13 km 0 to km 8.345	Quarter 2
The Upgrade On National Road R501 Section 3 From Potchefstroom (Km 3.9) To Carletonville (Km 52.4)	Quarter 2
The Upgrading of Gravel Road D2919 from Tshikanosi to Malebitsa	Quarter 3
The Improvement of National Road R578 section 1 Maholisi to Mahodlongwa (km 16.0 to km 35.8)	Quarter 3

TRANSPORT SECTOR PROJECTS (ROAD)	
Project Description	**Possible Procurement Timeline**
The Upgrade of National Road R578 section 1 from N1 (Km 0.0) to Maholisi (Km 16.0)	Quarter 1
Upgrading of National Road R573 section 2: Work Package B from km 36.2 to km 48.0	Quarter 1
The upgrade of National Road R524 Tshakhum Access	Quarter 2
The upgrading of National Road R573 Section 1 from Baviaanspoort Road (Km 2.4) to North of Sefako Makgatho Drive (Km 4.0) and the new R573 / Sefako Makgatho Interchange	Quarter 3
The upgrade of National Road R573 Section 3 (km 13.3 to km 20.3)	Quarter 1
Upgrading of National Route N1 section 4 from Doornfontein to Laingsburg.	Quarter 2
DNURT: Pongola - Mpumalanga Border Package A	Quarter 1
DNURT: N2 Pongola Section 32 Pongola (km 47.40) to Mpumalanga Border (km 70.16) (Package 2)	Quarter 1
DNNBN: Replacement of major culvert/bridge (close to D540 Road) and repair to settlement of the approaches to Sibiciya Bridge located on the R22, section 2, Km 14.6	Quarter 1
DNURS Construction of a Compulsory Truck Stop on National Route 2, Section 21 (km 106.6) to Section 22 (km 0.4): Compulsory truckstop at Wilson's cutting	Quarter 2
DNURT: Port Edward to Mpenjati River	Quarter 3
DNNIT: Freeway Management System (FMS) in KwaZulu-Natal (Non-Toll / Capex)Operator for Design, Build, Operation and Maintenance (DBOM) of the Regional Freeway Management System (FMS) in the KwaZulu Natal Province	Quarter 4
DNURT: Improvements to the KwaMsane Interchange	Quarter 4
The upgrading of National Road N2 section 7 from Touw River to Die Vleie.	Quarter 1
Upgrading of National Road R573 section 2 km 48.16 to km 48.86, and section 3 km 0.00 and km 6.50	Quarter 1
DNNBN: The Doubling of Gwaing River Bridge on N2 Section 7 km 17.3	Quarter 1
The Upgrading National Road R573 section 2 from km8.6 to km12	Quarter 1
Upgrading of National Road R573 Section 3 (km 13.3 and km 20.30)	Quarter 1
The Upgrading of National Road N1 Section 25 from Tobias Zyn Loop (KM30.0) to Sasol Zebetiela (KM 60.0)	Quarter 1
The Upgrading of National Road N1 Section 26 from Rietvley (KM0.0) to Polokwane (KM 28.7)	Quarter 1
The Upgrade on National Road N1 Section 28 from Polokwane (km 0.0) to Dwarsriver (km 49.0)	Quarter 1
The Upgrade on National Road N1 Section 28 from Dwarsriver (km 49.0.) to Louis Trichardt(km 98.75)	Quarter 1
The Upgrading of National Road N1 Section 24 from Kranskop Plaza (km 6.4) to Modimolle (km 25.0)	Quarter 3
The Upgrading of National Road N1 Section 25 from Sasol Zebtiiela (KM60.0) to Rietvley (KM 89.0)	Quarter 3
The Upgrading of National Road N1 Section 25 from Modimolle Interchange (KM0.0) to Tobias Zyn Loop (KM30.0)	Quarter 2
Upgrade of Huguenot Tunnel (North Bore & South Bore) on National Route N1 section 1.	Quarter 3
DNUPF: Solar Pv N2 South Plazas Pack1	Quarter 4

TRANSPORT SECTOR PROJECTS (ROAD)	
Project Description	**Possible Procurement Timeline**
Construction services for Periodic Maintenance N2 Section 20X between km 39 and 69.35	Quarter 4
The Resurfacing of National Road N11 section 12 Grass Valley road km 33.2 to km 56.18	Quarter 1
The Resurfacing of National Road N3 section 11 from Balfour I/C to Dwars in Die Weg	Quarter 3
Special Maintenance (Slope Stabilisation) on National Route N2 section 8 Keurboomstrand Km 65.50 to Km 67.50.	Quarter 4
Strengthening of National Route R510 section 3 from R520 I/S km 70 and Lephalale km 126.1	Quarter 4
Reconstruction of National Road R35 section 1 from Amersfoort km4.3 to Morgenzon km 44.96	Quarter 4
Consulting engineering services for the Reconstruction of Roads through Vryburg	Quarter 1
The Rehabilitation of National Road R521 section 2 from Dendron (Km 0.0) to Vivo (Km 36.05) and section 3 from Vivo (Km 0.0) to National Road R523 (Km 6.5)	Quarter 3
The Rehabilitation of National Road Bethal CBD km 0 to km 5	Quarter 3
Rehabilitation of National Route N1 sections 2 and 3 from Worcester West to East (km 8.11).	Quarter 3
The rehabilitation of National Route 5 section 2, Vals River (Km 52.6) to Bethlehem West (70.6)	Quarter 3
DSRGS: Strengthening of N6 section 6 between Aliwal north (0) to Rouxville south (33.3)	Quarter 3
DSRGA: Elandslaagte (28) - Nkunzi (47.8) ©	Quarter 1
DSCPR: Hluhluwe pavement repair	Quarter 1
Improvement of National Route N1 Section 29 from Louis Trichardt (Km 0.0) To Masekwaspoort (Km 27.8)	Quarter 1
DSRGA: New Geulderland to Mtunzini T	Quarter 4

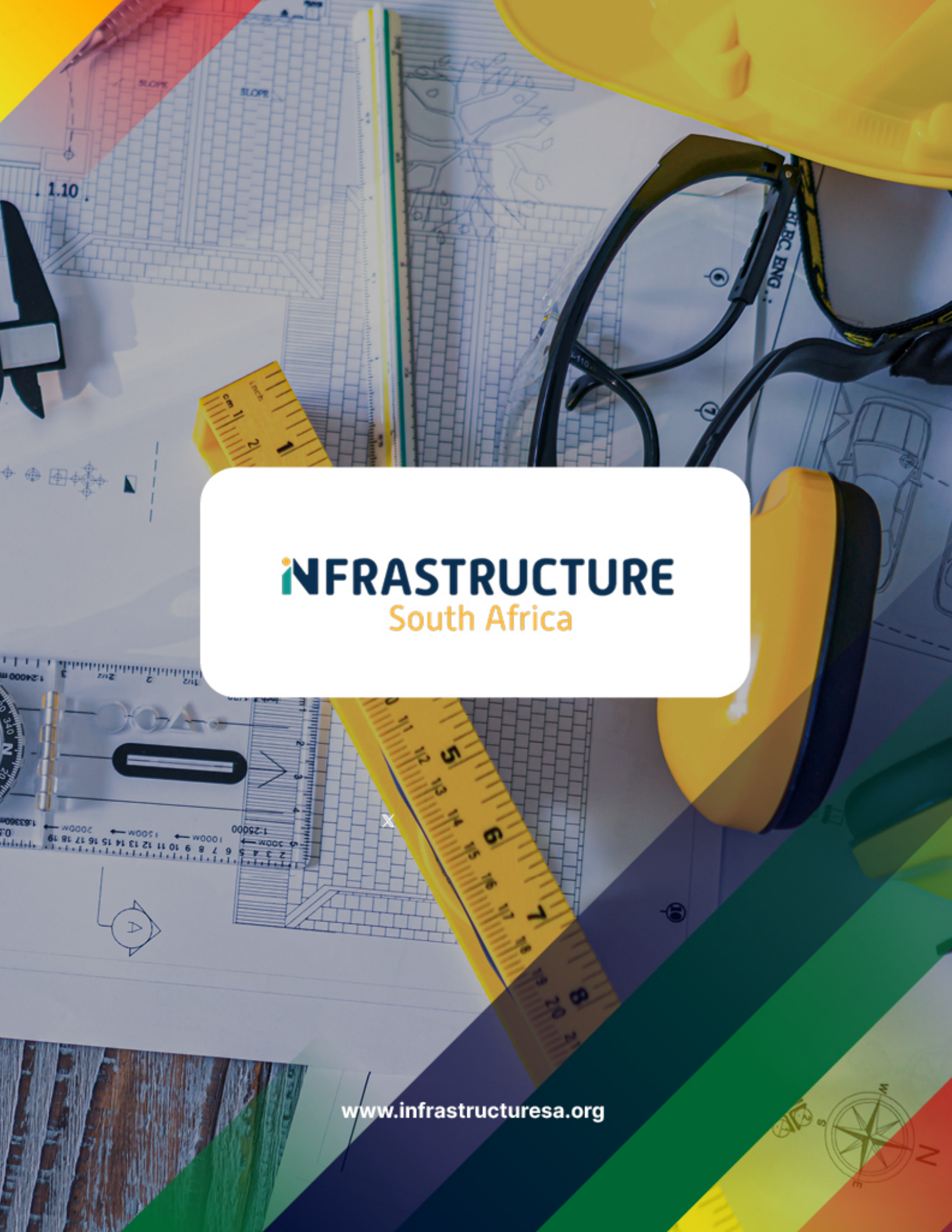
TRANSPORT SECTOR PROJECTS (PORTS)		
Project Name	**Project Description**	**Project Timelines**
LNG Import Terminal	Development of an LNG import terminal in the Port of Richards Bay to deliver a scalable capacity from a minimum of 1 million tons to 5 million tons per annum. The project anchored on delivering the Integrated Resource Plan (IRP)for gas-to-power.	Commercial operation FY-26/27

TRANSPORT SECTOR PROJECTS (PORTS)		
Project Name	**Project Description**	**Project Timelines**
Berth A100 for Liquid Bulk	TNPA is planning on construction of liquid bulk Berth at A100 location which will include marine infrastructure, bulk services and associated Common User Infrastructure at the Port of Ngqura. This Liquid Bulk Terminal will be the main liquid fuels supply hub for Nelson Mandela Bay and surrounding areas and will replace the Port of Port Elizabeth Liquid Bulk Terminal. The Port of PE Liquid Bulk Terminal was constructed in 1938 and lengthened in 1954 has reached the end of its lifecycle. This facility currently poses a health, safety and environmental risk to port users and the city and thus restricts any development in the Port of Port Elizabeth (PoPE) as there is no room for expansion of the Liquid Bulk Terminal to cater for increases in fuel supply in-line with future growth.	Quarter 2 (25/26)

TRANSPORT SECTOR PROJECTS (RAIL)		
Project Name	**Project Description**	**Estimated Date**
Coale 81Mtpa	Upgrade rail capacity for Richard's Bay Coal Terminal (RBCT) coal expansion to 81 Mtpa. Increased from 71 Mtpa.	Quarter 2
Botswana Rail Link (Mmamabula - Lephalale Rail)	The development of a new coal rail line linking Botswana and South Africa	Quarter 1
New Sishen Link and Sishen Yard	Construction of a direct link line to Sishen Erts Yard and two additional lines in Sishen Yard to accommodate manganese trains.	TBC

TRANSPORT SECTOR PROJECTS (AIRPORT)		
Project Name	**Project Description**	**Estimated Date**
George Terminal Extension	Expansion of arrivals and departures capacity to provide additional passenger processing capacity	Quarter 4
ORTIA Cargo Development	Cargo development to accommodate cargo throughput of up to 750 000 tonnes per annum	Quarter 4

TRANSPORT SECTOR PROJECTS (AIRPORT)		
Project Name	**Project Description**	**Estimated Date**
Chief David Stuurman International Airport Terminal Extension	Expansion of the entire Terminal Building to provide additional passenger processing capacity	Quarter 4
CTIA: Expansion of Terminal Buildings	Expansion of arrivals and departures capacity to accommodate future demand	Quarter 4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