

Proposed Project Summary for Public Disclosure
(concept review stage)

Project Name	Program for Upgrade of Infrastructure for Metropolitan Municipal Services
Country	The Republic of South Africa
Type	Sovereign
Area of Operation	Multiple Areas
Concept Approval Date	June 13, 2025
Total Project Cost	ZAR 54 billion
Proposed Limit of NDB Financing	USD 1 billion
Borrower	The Republic of South Africa
Project Entity	Department of National Treasury of South Africa
Program Context	<p>South Africa's eight metropolitan municipalities (Buffalo City, City of Cape Town, City of Ekurhuleni, City of Johannesburg, City of Tshwane, eThekweni, Mangaung and Nelson Mandela Bay) ("Metros") play a critical role in driving the country's socio-economic development. However, these urban centers face mounting challenges posed by high levels of non-revenue water, ageing electricity networks prone to outages and non-compliant waste treatment sites. The Program seeks to reverse the declining trend in the delivery of essential urban services of water supply and sanitation, electricity distribution, and solid waste management (collectively also referred to as "trading services") across the Metros.</p>
Program Description	<p>The Program will support the Metro Trading Services Grant of the Government of South Africa, a performance-based incentive aimed at addressing critical infrastructure gaps and institutional shortcomings in provision of trading services in the Metros. The Program comprises three components. Component 1 focuses on improving operational performance through targeted investments in physical infrastructure and digital systems across the three trading services. Component 2 aims to enhance the financial performance of trading services, while Component 3 supports institutional strengthening including capacity building.</p>
Program Objective	<p>The Program aims to enhance infrastructure performance, financial sustainability and institutional governance across the three trading services in the eight Metros. By FY2031, the Program is expected to directly and indirectly benefit the 24 million residents of the Metros through improved service delivery, contributing to better living</p>

	conditions and a stronger urban investment climate in line with the South Africa's National Development Plan 2030.
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