Funding and financing mechanisms for infrastructure delivery: multi-sector analysis of benchmarking of South Africa against developed countries

Matji, MP and Ruiters, C

Abstract:

For developing countries to advance there is a need for more investment in infrastructure and improved decision-making (Organisation for Economic Co-operation and Development. Governments around the world face significant capacity constraints both financial and technical in addressing the infrastructure needs. Given the governments lack of resources, private sector investment has a pivotal role to play in bridging the infrastructure gap. This paper presents comparative analysis of financing mechanisms for health, water, communications, transport and energy sectors in the Republic of South Africa and then benchmark against developed and developing countries. Successes and challenges of the funding and financing mechanisms are discussed. Furthermore, the researcher identifies financing opportunities for infrastructure delivery in South Africa and how such opportunities can be explored, taking into account political dynamics and legislative sector-based frameworks.

Keywords: Asset Management, Financing and funding, Infrastructure investment, Operations and maintenance, South Africa