

## ENGINEERING

# Cesa calls for better infrastructure fund management ahead of National Budget

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CONSULTING Engineers South Africa (Cesa) has called for the government to walk the talk and better account for the use of infrastructure funds in the upcoming National Budget next week.

Chris Campbell, the CEO of Cesa, said that when it comes to funds and allocations for infrastructure, Cesa wants local government to account more for unspent infrastructure funds, not just rely on the Auditor-General's report.

This comes as billions of rands allocated to infrastructure spending often remain unspent by municipalities due to various reasons, as frequently highlighted in the Auditor-General's report.

South Africa's 257 municipalities frequently lack the necessary capacity, skills, and resources to manage infrastructure effectively.

Cesa said the solution lies in public-private partnerships to ensure implementation.

Campbell also called for a realistic budget, adding that it would likely be challenging in the current geopolitical environment.

David Leukes, the president of Cesa, said on Wednesday that people must not act in silos and should "revive the social compact with society at large," adding that there must be greater transparency



Billions of money allocated by South African government for vital infrastructure is unspent by local municipalities. Cesa calls for this to change for society to reap the benefits.

Photo: File

in spending.

He said, "We stand at a defining moment in our nation's journey. National Treasury projects that our country will need approximately R2 trillion by 2030 to fulfil our developmental objectives."

Last week, President Cyril Ramaphosa announced that the government plans to spend over R940 billion on

infrastructure development over the next three years.

In his State of the Nation Address, he said this investment aims to address critical infrastructure needs, create jobs, and stimulate economic activity, with the expectation that GDP will exceed 3%. He stated that R375 billion of this amount would be spent by state-owned enterprises (SOEs) to build roads, bridges, dams, waterways, and ports.

Leukes said South Africa's development objectives "embodied the dreams" of children awaiting schools, the need for efficient and well-run hospitals, and communities striving for essential infrastructure.

"We are also part of the global momentum in infrastructure development. Worldwide infrastructure spending is projected to exceed \$9 trillion (R167trl) annually by this year, according to a report by consulting firm PwC," he said.

The South African Reserve Bank forecasts the local economy to grow by 1.8% in 2025, with infrastructure development playing a pivotal role in this growth.

"This offers real opportunities to enhance service delivery, job creation, and poverty alleviation. While the projected growth falls short of what is truly needed, it still represents a modest yet valuable chance to drive positive change

in these critical areas," Leukes said.

On collaboration, the inaugural 2025 FIDIC Global Infrastructure Conference will be held in Cape Town for the first time from 21 to 23 September.

Leukes explained that this would be a unique opportunity for South African engineers to engage with leading professionals from across the world, share knowledge, and contribute to shaping the future of infrastructure development.

He called for a shift in mindset regarding how South Africa approaches infrastructure.

"Projects must be viewed beyond construction—encompassing planning, operation, and maintenance to ensure resilience and efficiency. For example, addressing chronic port congestion, a key frustration for mining companies, requires not only expansion but also strategic long-term management to enhance logistics and trade competitiveness.

"We are encouraged by the government's acknowledgement in Sona last week, where the President highlighted revitalising SA's port terminals and rail corridors through a Freight Logistics Roadmap, leveraging private capital to restore them to world-class standards. We hope this is more than mere rhetoric and will be successfully executed," he said.