



a world class African city

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MEDIA RELEASE

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Joburg's R110-billion for infrastructure over the next 10 years

Johannesburg is to increase its spending on the provision of new infrastructure over the next 10 years. It has increased its current budget of R4,6 billion to R7,3 bn for 2013/14. The City intends spending R110 billion over the next ten years.

At the same time the City also intends increasing its expenditure on the maintenance of current infrastructure by three-fold over the next three years – from the current 2.4% of budget to more than 7% of budget.

Executive Mayor Mpho Parks Tau said during his State of the City Address at Wits University on today (Thursday May 9, 2013).

The big expenditure will make Johannesburg to compete favourably with other major cities on the African continent. Seven out of ten of the world's fastest growing economies are located in Africa.

The African financial services sector is projected to grow by 40% in the next seven years to 2020. The continent (African) is expected to spend 1.1 trillion US dollars (about 10.12 trillion rand) over the next 25 years to modernise infrastructure – and Johannesburg must lead this wave.

The City's initiatives to attract investments, business and residents to the inner city are increasingly showing results. The Central Business District (CBD) is becoming a precinct where the emphasis is on mixed-use development with a growing demand for low-income rental housing.

In the coming year, the City will spend R450 million alone on infrastructure developments in the inner city to address safety, overcrowding, poor urban management, crime and grime. A five year capital investment plan is in place to innovative incentives offered to social housing developers.

Mayor Tau said 850km of fibre optic cables – out of an envisaged total of 920km – have already been laid to "bridge the digital divide" and address socio-economic disparities. "The next phase is to create connectivity for all our citizens, reduce costs and spread access to services," he said.

By the end of the 2016 financial year, 250 000 households in Johannesburg will have smart metering systems installed for electricity with water to follow soon. The project has already been started in Blairgowrie and is being rolled out in Kensington, Dainfern, Florida, Witpoortjie and selected townships where electricity smart metres are being rolled out.

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