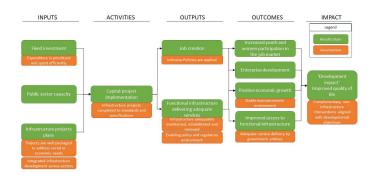


## Development Impact of Infrastructure in South Africa (1994-2019)

South Africa has invested significantly in social and economic infrastructure over the period 1994 – 2019. The public sector has spent 5.9% of GDP annually on fixed capital investment, although in recent times (2018-2021) this has decreased in real terms.

PDG was commissioned by the DBSA to investigate the contribution of infrastructure to the country achieving its development outcomes. The DBSA was also interested in an objective review of its role in contributing to these developmental outcomes, as well as an assessment of the country's current state of infrastructure. PDG adopted a mixed-methods approach to these research questions. A Theory of Change was developed which described a causal pathway between the inputs required to develop an infrastructure project, and the development impact of the infrastructure. The Theory of Change described the inputs, activities, outputs, outcomes, impact and the assumptions that needed to hold true for the impact to be achieved.

Interviews were conducted with individuals in government and the DBSA to understand their perspectives of the development contribution of infrastructure, and DBSA's role in this process. Secondary data was retried from policy documents, academic literature, previous reviews and evaluations and quantitative data from the DBSA, Statistics South Africa and the South African Reserve Bank. The use of the Theory of Change established the causal pathway between the inputs required for the construction of infrastructure projects, and its possible development impact. This approach is useful as it can be used to direct future research and interventions in the infrastructure development process.



Infrastructure Theory of Change

Despite the significant roll-out of infrastructure in democratic South Africa, there is still significant work to be done before we can achieve our developmental objectives. There are significant capacity constraints in the public sector, which slows down the rate at which projects can be implemented, and once implemented, there are challenges in ensuring that the infrastructure is maintained in such a way that the infrastructure can be operated effectively. However, there are some successful projects and programmes run from within government from which lessons can be learnt and applied to the roll-out of future infrastructure projects.

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## **DIIR PROJECT:**

**Project Profile:** Development Impact of Infrastructure in South Africa (1994-2019)

**Client:** Development Bank of Southern Africa (DBSA)