



# Executive Summary Report

## 1. Project Description & Strategic Case

|                 |                                  |
|-----------------|----------------------------------|
| Project Name    | TEST_113                         |
| Location        | Cape Agulhas Local Municipality  |
| Sector          | Ecological                       |
| Department      | Department of Social Development |
| Project Owner   | Poonam Yawalkar                  |
| Project Manager | Poonam Yawalkar                  |

## Project Scope

### 1. Project Initiation & Planning

- Establish project governance, management structures, and reporting mechanisms
- Stakeholder identification and engagement, including government entities, communities, and private partners
- Review of relevant policies, legislation, and planning frameworks
- Development of detailed project implementation plan and work schedule

### 2. Baseline Assessments & Studies

- Environmental baseline assessments (land, water, biodiversity, soil, and ecosystems)
- Climate risk and vulnerability assessment
- Socio-economic and community needs assessment
- Infrastructure condition and capacity assessment
- Identification of priority restoration and infrastructure intervention areas

### 3. Integrated Design & Technical Planning

- Preparation of integrated ecological restoration and infrastructure master plans
- Development of nature-based and green infrastructure solutions
- Engineering designs incorporating low-carbon and climate-resilient principles
- Alignment with spatial development frameworks and municipal plans
- Cost estimation, phasing, and lifecycle cost analysis

### 4. Ecological Restoration Works

- Reforestation and rehabilitation using indigenous vegetation
- Wetland, riverbank, coastal, and catchment restoration
- Soil stabilization, erosion control, and land rehabilitation
- Invasive species removal and biodiversity enhancement
- Establishment of ecological corridors and buffer zones

## 5. Sustainable Infrastructure Development

- Construction or upgrading of climate-resilient public infrastructure
- Implementation of green roads, drainage, and stormwater systems
- Integration of renewable energy and energy-efficient systems
- Water-efficient infrastructure including harvesting, reuse, and treatment systems
- Use of environmentally sustainable construction materials and methods

### Justification

Rapid urbanisation, climate change, and historical land-use practices have resulted in significant ecological degradation and increasing pressure on existing infrastructure systems. Degraded ecosystems, including wetlands, river systems, forests, and coastal areas, have reduced their capacity to provide essential services such as flood regulation, water purification, soil stability, and biodiversity support. At the same time, ageing and climate-vulnerable infrastructure has increased risks to communities, economic activities, and public service delivery.

Traditional infrastructure development approaches have often treated environmental protection and infrastructure delivery as separate processes. This has led to unintended consequences such as habitat loss, increased flooding, water scarcity, higher maintenance costs, and reduced resilience to climate-related shocks. There is a growing recognition that infrastructure investments must be designed and implemented in harmony with natural systems to ensure long-term sustainability, cost-effectiveness, and environmental protection.

### Sector Specific Analysis

- **Lack of access to water**

Many communities continue to experience unreliable or insufficient access to safe water due to ageing infrastructure, limited storage capacity, and climate-related pressures. This challenge affects public health, economic productivity, and overall quality of life, particularly in underserved and rural areas.

- **Inadequate transportation infrastructure**

Insufficient and poorly maintained transport infrastructure limits mobility, access to markets, employment, education, and essential services. Inadequate transportation networks increase travel costs, constrain economic activity, and hinder regional development

- **Limited digital connectivity**

Limited access to reliable digital infrastructure and connectivity restricts participation in the modern economy, access to information, and delivery of digital public services. This digital divide exacerbates inequality and reduces opportunities for education, innovation, and business development.

### Market Size And Demand Analysis

#### 1. Total Addressable Market (TAM)

- **Population served by a transport corridor**

Estimate the number of people benefiting from the proposed transport infrastructure. Data should include commuter volumes, population density along the corridor, and projected growth trends.

**Data sources:**

- Demographic: Census data, community surveys, household registries
- Geographic: GIS mapping, spatial planning frameworks, municipal maps

- Economic: Employment centres, business activity data, transport demand studies
- Other: Traffic studies, transport authority reports

- **Households needing water access**

Identify households currently lacking reliable access to potable water, including unserved and underserved communities.

**Data sources:**

- Demographic: Population surveys, municipal household data
- Geographic: Water service maps, catchment and network data
- Economic: Income and affordability data affecting water access
- Other: Utility provider records, NGO/CSO reports, field assessments

- **Data sources**

- **Demographic**

- Convert this into a **table or portal-friendly dropdown format**
    - Add **other infrastructure types** (energy, sanitation, ICT) with similar population/household data requirements
    - Include **baseline indicators** for monitoring and reporting

- **Geographic**

- Demographic: Population surveys, municipal household data
    - Geographic: Water service maps, catchment and network data
    - Economic: Income and affordability data affecting water access

- **Economic**

- Demographic: Census data, community surveys, household registries
    - Geographic: GIS mapping, spatial planning frameworks, municipal maps
    - Economic: Employment centres, business activity data, transport demand studies
    - Other: Traffic studies, transport authority reports

## 2. Served Available Market (SAM)

- **Location**

Specify the geographic location of the facility, service point, or infrastructure under analysis. This should include coordinates, municipal area, or administrative region to support spatial planning and accessibility assessments.

- **Capacity**

Identify potential operational limitations that may affect service delivery or performance, such as:

- Seasonal variations (flooding, drought, peak demand)
- Maintenance or resource limitations
- Regulatory restrictions or environmental compliance
- Technical or staffing constraints

- **Are there any envisaged Operational constraints?**

Define the operational or service capacity of the infrastructure. Examples include:

- Transport: passengers per hour or vehicle throughput
- Water supply: litres per day or households served
- Energy: MW or kWh capacity
- Archives or records storage: volume (linear meters or cubic meters)

- **Which of the following criteria is being used to support this analysis in terms of Segmentation?**

- **Income**

Segmenting based on socio-economic status, affordability, or ability to pay.

- **Region**

Segmenting by geographic area such as urban, peri-urban, rural, municipal, or district boundaries.

- **Service level**

Segmenting according to the level or quality of service received, e.g., full service, partial service, or intermittent access.

- Any additional criteria relevant to the analysis, such as age, household size, gender, occupation, or vulnerability indicators.

### **3. Demand Forecasting**

- **Projections of usage over time**

- **traffic volumes**

Projections of infrastructure or service usage should consider the following indicators:

- **Traffic Volumes:** Projected number of vehicles, commuters, or freight movement over time.
    - **Energy Consumption:** Expected electricity, gas, or other energy demand by sector or facility.

- **Housing Uptake:** Anticipated number of households or developments connected to services or infrastructure.
- **Other:** Any additional indicators relevant to the project, such as water demand, ICT usage, or facility occupancy.

- **energy consumption**

Projections of infrastructure or service usage should consider the following indicators:

- **Traffic Volumes:** Projected number of vehicles, commuters, or freight movement over time.
- **Energy Consumption:** Expected electricity, gas, or other energy demand by sector or facility.
- **Housing Uptake:** Anticipated number of households or developments connected to services or infrastructure.
- **Other:** Any additional indicators relevant to the project, such as water demand, ICT usage, or facility occupancy.

- **housing uptake**

Projections of infrastructure or service usage should consider the following indicators:

- **Traffic Volumes:** Projected number of vehicles, commuters, or freight movement over time.
- **Energy Consumption:** Expected electricity, gas, or other energy demand by sector or facility.
- **Housing Uptake:** Anticipated number of households or developments connected to services or infrastructure.
- **Other:** Any additional indicators relevant to the project, such as water demand, ICT usage, or facility occupancy.

- **Informed by**

- **historical data**

- **Historical Data:** Past usage patterns, operational records, and performance metrics.
    - **Growth Trends:** Demographic, economic, or sectoral trends affecting demand.
    - **Policy Targets:** National, provincial, or municipal objectives, service standards, or development goals.
    - **Other:** Expert estimates, stakeholder input, scenario analyses, or feasibility study results.

- **growth trends**

- **Historical Data:** Past usage patterns, operational records, and performance metrics.
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- **Other:** Expert estimates, stakeholder input, scenario analyses, or feasibility study results.

- **policy targets**

- **Historical Data:** Past usage patterns, operational records, and performance metrics.
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- **Other:** Expert estimates, stakeholder input, scenario analyses, or feasibility study results.

## 2. Project Status & Implementation

### Regulatory & Environmental Approvals

| National Level                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Provincial And Local Levels                                                                                                                                                                                                                                                                                                                                                      | Other Relevant Entities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Department of Forestry, Fisheries and the Environment (DFFE): Responsible for environmental management, conservation, and protection in South Africa</li> <li>• National Climate Change Frameworks</li> <li>• Other_11</li> <li>• South African National Biodiversity Institute (SANBI): Plays a leading role in biodiversity management and research</li> <li>• Environmental Management Inspectors (EMIs): Responsible for compliance and enforcement of environmental regulations</li> <li>• National Environmental Management Act (NEMA): Governs environmental management and authorization processes, including Environmental Authorizations (EAs)</li> <li>• Environmental Management Frameworks (EMFs): Strategic planning tools for land-use and environmental management decisions</li> </ul> | <ul style="list-style-type: none"> <li>• Provincial Environmental Departments: Implement and enforce environmental regulations within provinces</li> <li>• Other_11</li> <li>• Municipalities: Play a role in environmental management, especially in land-use planning and development applications</li> <li>• Other_1</li> <li>• Department of Infrastructure (DOI)</li> </ul> | <ul style="list-style-type: none"> <li>• Environmental Assessment Practitioners Association of South Africa (EAPASA): Voluntary certification body for Environmental Assessment Practitioners</li> <li>• Councils for the Built Environment Professions (CBEP): Regulates professions involved in the built environment</li> <li>• Wildlife and Environment Society of South Africa (WESSA): Non-profit organization involved in environmental conservation and education</li> <li>• description</li> <li>• Heritage Western Cape</li> <li>• Other_1</li> </ul> |

### Identify Key Stakeholders

#### Government

| Name                                                  |
|-------------------------------------------------------|
| Department of Agriculture                             |
| Department of Health Wellness                         |
| Department of Education                               |
| Department Of Infrastructure                          |
| Provincial Treasury                                   |
| Local Government                                      |
| Department of Mobility                                |
| Government Motor Transport                            |
| Department of Premier                                 |
| Tourism, Environmental Affairs & Development Planning |
| Department of Social Development                      |
| Department of Police Oversight & Community Safety     |
| Department of Cultural Affairs and Sport              |

### State-Owned Entities

| Name                                              | Engagement Strategy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Development Bank of Southern Africa (DBSA)        | The Development Bank of Southern Africa (DBSA) plays a critical role in financing and supporting infrastructure and development projects that promote sustainable economic growth and social development. Within this project, DBSA may provide development finance, project preparation support, and technical assistance for climate-resilient and environmentally sustainable infrastructure. DBSA's involvement strengthens project bankability, governance, and alignment with national development priorities. |
| Industrial Development Corporation (IDC)          | The Industrial Development Corporation (IDC) supports industrial development and economic transformation through strategic investments. For this project, the IDC may facilitate funding for green industries, local manufacturing, and value-chain development linked to ecological restoration and sustainable infrastructure. IDC participation supports job creation, skills development, and local enterprise growth, particularly in green economy sectors.                                                    |
| Eskom                                             | Eskom, as South Africa's national electricity utility, is a key stakeholder in the integration of reliable and sustainable energy solutions. Eskom's role may include grid connectivity, energy infrastructure upgrades, and collaboration on renewable and hybrid energy systems. Engagement with Eskom ensures alignment with national energy strategies, grid stability, and long-term energy security for project infrastructure.                                                                                |
| Western Cape Archives and Records Service (WCARS) | The Western Cape Archives and Records Service (WCARS) is responsible for the preservation, management, and accessibility of public records within the Western Cape. WCARS contributes institutional knowledge, historical land-use records, environmental data, and planning documentation that inform project design and approvals. Their involvement supports regulatory compliance, informed spatial planning, and evidence-based decision-making.                                                                |

| Name                                           | Engagement Strategy |
|------------------------------------------------|---------------------|
| Air Traffic and Navigation Services (ATNS)     |                     |
| South African Civil Aviation Authority (SACAA) |                     |

## Private Entities

| Name                                                                         | Engagement Strategy                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Construction Companies                                                       | Construction companies will be responsible for the execution of civil, building, and infrastructure works in accordance with approved designs, environmental management plans, and quality standards. Their role includes on-site implementation, use of sustainable construction methods, local labour participation, and compliance with health, safety, and environmental regulations. |
| Engineering Firms                                                            | Engineering firms will provide multidisciplinary technical expertise, including civil, structural, electrical, mechanical, and environmental engineering services. They will lead feasibility studies, detailed designs, technical specifications, supervision, and certification to ensure climate-resilient, efficient, and compliant infrastructure delivery.                          |
| Financial Institutions                                                       | Financial institutions may provide project finance, blended finance solutions, guarantees, and advisory services. Their involvement supports project bankability, financial structuring, risk mitigation, and long-term sustainability, particularly for large-scale infrastructure and green economy investments.                                                                        |
| Specialist archival systems suppliers & Commercial records storage providers | These suppliers will deliver purpose-built archival systems, secure storage solutions, and preservation technologies that meet regulatory and environmental standards. Their expertise ensures proper records management, long-term document preservation, digitisation readiness, and compliance with archival legislation and best practices.                                           |
| Technology and ICT providers                                                 | Technology and ICT providers will support digital infrastructure, including data management systems, monitoring platforms, automation, cybersecurity, and smart facility solutions. Their role enhances operational efficiency, transparency, environmental monitoring, and long-term asset management.                                                                                   |
| Retail and service operators                                                 |                                                                                                                                                                                                                                                                                                                                                                                           |
| Renewable energy providers                                                   |                                                                                                                                                                                                                                                                                                                                                                                           |
| Facilities management companies                                              |                                                                                                                                                                                                                                                                                                                                                                                           |

## Civil Entities

| Name | Engagement Strategy |
|------|---------------------|
|------|---------------------|

|                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Civil society organizations advocating for community needs                     | Civil society organizations (CSOs) play a critical role in representing community interests and ensuring inclusive, transparent, and equitable project outcomes. Their involvement supports meaningful community participation, social accountability, and alignment of project interventions with local needs. CSOs also assist in stakeholder mobilisation, social impact monitoring, and conflict mitigation throughout the project lifecycle. |
| Other_1                                                                        | This category allows for the inclusion of additional stakeholders relevant to the project, such as traditional leadership structures, cultural organizations, environmental NGOs, youth and women's groups, or sector-specific advocacy bodies. These stakeholders will be identified during project initiation and engaged based on their relevance to implementation, governance, or community impact.                                          |
| Researchers, academics & historians/heritage practitioners                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Legal practitioners and estate administrators                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Communities and individuals (presently & future generations) accessing records |                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Communities and Commuters                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Environmental and Conservation Organisations                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

### Other Stakeholders

| Name                                                                     | Engagement Strategy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Local Development Finance Institutions (DFIs)                            | Local Development Finance Institutions (DFIs) support infrastructure and development initiatives through financing, guarantees, and technical assistance at municipal, provincial, and regional levels. Their participation strengthens project preparation, co-financing, and risk-sharing mechanisms, particularly for sustainable infrastructure and ecological restoration initiatives. DFIs also play a role in aligning projects with local development priorities and improving financial viability.                              |
| Sustainable Infrastructure Development Symposium - South Africa (SIDSSA) | The Sustainable Infrastructure Development Symposium – South Africa (SIDSSA) serves as a national platform for collaboration, knowledge exchange, and policy dialogue on sustainable infrastructure development. Engagement with SIDSSA enables the project to align with emerging best practices, innovation trends, and policy frameworks, while facilitating partnerships between government, private sector, financiers, and technical experts. SIDSSA participation enhances visibility, credibility, and stakeholder coordination. |

## 3. Governance, Policy & Enabling environment

## Legal And Regulatory Framework

- Procurement and Supply Chain Management
  - Preferential Procurement Policy Framework Act (PPPFA)
  - Western Cape Procurement Regulations
  - Use of the Western Cape Supplier Evidence Bank (WCSEB)
  - Compliance with tender procedures and transparency requirements
- Environmental and Land Use Planning
  - Western Cape Land Use Planning Act (LUPA)
  - Environmental Impact Assessment (EIA)
  -
- Public Finance and Governance
  - Public Finance Management Act (PFMA)
  - Provincial Treasury Instructions and Budget Guidelines
- 8 Other\_1
- Health and Social Services
  - National Health Act
  - Provincial health regulations
  -
- Education
  - South African Schools Act
  - Provincial education policies
  -
- Transport and Infrastructure
  - Western Cape Road Traffic Act
  - Related transport regulations
  -
- Human Settlements and Housing
  - Housing Act
  - Provincial housing frameworks
  -
- Economic Development
  - Tourism
  - Agriculture
  - Enterprise development
  - Green Economy Strategy
  -
- Environmental Compliance
  - Requires Environmental Impact Assessments (EIAs) for certain developments
  - Must comply with waste management and biodiversity regulations

## Governance Policies

- National Development Plan (NDP)
- Strategic Infrastructure Projects (SIPs)
- Relevant Integrated Development Plans (IDPs)
- Infrastructure South Africa (ISA)

- Budget Facility for Infrastructure (BFI)
- Western Cape Infrastructure Framework 2050 (WCIF 2050); Western Cape Infrastructure Strategy (WCIS)
- Provincial Land Transport Framework (PLTF)
- Comprehensive Integrated Transport Plan (CITP)
- Integrated Public Transport Network (IPTN)
- Operating Licence Plan (OLP)
- Multi-Year Financial Operational Plan (MYFIN)

## Investment Needs

| Sr | Name                            | Description                                                                                                                                                                                                                                                                                                                 |
|----|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1  | Infrastructure Development      | <ul style="list-style-type: none"> <li>• Roads, bridges, and public transport systems.</li> <li>• Upgrades to water and sanitation infrastructure.</li> <li>• Renewable energy installations and grid improvements.</li> <li>• Digital and Operational Infrastructure</li> <li>• Archival Storage Infrastructure</li> </ul> |
| 2  | Human Settlements               | <ul style="list-style-type: none"> <li>• Affordable housing projects.</li> <li>• Informal settlement upgrades.</li> <li>• Mixed-use urban development.</li> <li>• Other_1</li> </ul>                                                                                                                                        |
| 3  | Healthcare                      | <ul style="list-style-type: none"> <li>• Expansion and modernization of clinics and hospitals.</li> <li>• Digital health systems and telemedicine.</li> <li>• Medical equipment and pharmaceutical supply chains.</li> <li>• Other_1</li> </ul>                                                                             |
| 4  | Education                       | <ul style="list-style-type: none"> <li>• School infrastructure and maintenance.</li> <li>• Digital learning platforms and connectivity.</li> <li>• Teacher training and curriculum development.</li> </ul>                                                                                                                  |
| 5  | Agriculture and Agri-processing | <ul style="list-style-type: none"> <li>• Investment in climate-resilient farming.</li> <li>• Agro-logistics and cold chain infrastructure.</li> <li>• Support for emerging farmers and cooperatives.</li> </ul>                                                                                                             |
| 6  | Green Economy                   | <ul style="list-style-type: none"> <li>• Renewable energy (solar, wind, bioenergy).</li> <li>• Waste-to-energy and recycling initiatives.</li> <li>• Water conservation and efficiency technologies.</li> </ul>                                                                                                             |

| Sr | Name                              | Description                                                                                                                                                                                                                                                             |
|----|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 7  | SMME and Entrepreneurship Support | <ul style="list-style-type: none"> <li>• Business incubators and innovation hubs.</li> <li>• Access to finance and market linkages.</li> <li>• Skills development and mentorship programs.</li> <li>• Enterprise Participation through Inclusive Procurement</li> </ul> |
| 8  | Tourism and Cultural Investment   | <ul style="list-style-type: none"> <li>• Infrastructure for eco-tourism and heritage sites.</li> <li>• Hospitality training and development.</li> <li>• Event hosting and destination marketing.</li> <li>• Indirect Support to Tourism Mobility</li> </ul>             |

#### 4. Financial requirements & Funding strategies

##### Cost-Effectiveness Analysis (CEA)

| Project Component | Intervention Type | Estimated Cost (ZAR) | Expected Outcome              | Effectiveness Metric | Timeframe |
|-------------------|-------------------|----------------------|-------------------------------|----------------------|-----------|
| Water systems     | Construction      | R 8,347              | Households connected to water | Cost per household   | 4 month   |

##### Cost-Benefit Analysis (CBA)

| Estimated Duration | 7 Year(s) & 6 Month(s) |          |           |             |           |              |                    |             |
|--------------------|------------------------|----------|-----------|-------------|-----------|--------------|--------------------|-------------|
| Item / Activity    | Type                   | Category | Timeframe | Description | Amount    | Discount Amt | Present Value (PV) | Net Benefit |
| Item 1             | Cost                   | Capital  | Year 1    | Description | R 832,457 | R 43,723     | R 2,938,745        | R 2,895,022 |

##### Risk Evaluation

| Start Date        | 31 Jan 2026 |                   |                  |                                     |
|-------------------|-------------|-------------------|------------------|-------------------------------------|
| Sector / Scenario | GDP Impact  | Employment Impact | Key Drivers      | Notes                               |
| Secondary Sector  | 0.60%       | Moderate          | Services, retail | High demand for materials and labor |

##### Macro-Economic Benefits

| Benefit Category    | Estimated Impact          | Sectoral Relevance                             | Policy Alignment                                 |
|---------------------|---------------------------|------------------------------------------------|--------------------------------------------------|
| Employment Creation | 0.06% Employment increase | Utilities, Social Infrastructure, Construction | Economic Reconstruction and Recovery Plan (ERRP) |

#### 5. Financial requirements & Funding strategies

Project Guestimate

|                |              |
|----------------|--------------|
| Estimated Cost | R 17,519,534 |
|----------------|--------------|

Total Project Cost Breakdown

1. Cost Category : Capital Expenditure (CAPEX)

| Description                  | Estimated Cost (ZAR) | Notes                                                                                                                              |
|------------------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------|
| Land Acquisition & Site Prep | R 3,487              | Costs related to purchasing land and preparing the site for development, including clearing, grading, and environmental compliance |
| Design & Engineering         | R 39,843             | Professional fees for detailed designs, technical studies, engineering, and project management                                     |
| Construction & Civil Works   | R 32,864             | Costs for building, civil works, restoration, and infrastructure implementation                                                    |
| Equipment & Materials        | R 3,487              | Purchase of machinery, equipment, and construction materials required for implementation                                           |
| Utility Connections          | R 8,965              | Costs for connecting water, electricity, telecommunications, and other essential services                                          |
| Contingency                  | R 3,486              | Provision for unforeseen costs, risk mitigation, and cost overruns                                                                 |

2. Cost Category : Development Costs

| Description                   | Estimated Cost (ZAR) | Notes                                                                                                                  |
|-------------------------------|----------------------|------------------------------------------------------------------------------------------------------------------------|
| Feasibility Studies           | R 9,847              | Costs for technical, economic, environmental, and social feasibility studies to support project planning and approvals |
| Legal & Regulatory Compliance | R 95,670             | Costs associated with legal services, permits, licenses, and regulatory approvals                                      |
| Stakeholder Engagement        | R 98,632             | Costs for community consultations, workshops, communications, and engagement activities                                |
| Project Management            | R 98,665             | Project management office, oversight, coordination, reporting, and administrative support                              |

3. Cost Category : Operational Expenditure (OPEX)

| Description             | Estimated Cost (ZAR) | Notes                                                                                        |
|-------------------------|----------------------|----------------------------------------------------------------------------------------------|
| Staffing & Operations   | R 39,859             | Salaries, wages, and operational costs for personnel managing the facility or infrastructure |
| Maintenance & Repairs   | R 9,586              | Routine and periodic maintenance of infrastructure, equipment, and facilities                |
| Utilities & Consumables | R 7,346              | Costs of electricity, water, fuel, ICT, office supplies, and other operational consumables   |
| Insurance & Monitoring  | R 0                  |                                                                                              |

4. Cost Category : Financing Costs

| Description                  | Estimated Cost (ZAR) | Notes                                                                                                          |
|------------------------------|----------------------|----------------------------------------------------------------------------------------------------------------|
| Interest During Construction | R 3,747              | Interest on borrowed funds or project finance accrued during the construction or development phase             |
| Financial Fees               | R 9,875              | Fees associated with financing, including arrangement fees, guarantee fees, advisory fees, and banking charges |

## 5. Cost Category : Lifecycle & Decommissioning

| Description       | Estimated Cost (ZAR) | Notes                                                                                                  |
|-------------------|----------------------|--------------------------------------------------------------------------------------------------------|
| Asset Replacement | R 689                | Costs for replacing or upgrading major assets and equipment at the end of their useful life            |
| Decommissioning   | R 98,570             | Costs associated with safely decommissioning or dismantling infrastructure at the end of its lifecycle |

## 6. Cost Category : Inflation & Escalation

| Description                              | Estimated Cost (ZAR) | Notes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------------------------------|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Adjustments based on Treasury guidelines | R 7,347              | Project cost estimates should be adjusted to align with the latest Treasury regulations, circulars, and public-sector financial management guidelines. Key adjustments may include: Inflation and Escalation Adjust CAPEX, OPEX, and lifecycle costs for projected inflation rates over the project period. Apply escalation factors to materials, labour, and utility costs in line with Treasury indices. Contingency Provisions Include contingency amounts as recommended by Treasury, typically expressed as a percentage of total CAPEX and OPEX, to account for unforeseen costs. Interest and Financing Costs Ensure interest during construction, financial fees, and funding costs comply with Treasury-approved rates and guidelines. |

## Funding Sources

[Funding Strategy Guide for Infrastructure Projects](#)

## Innovative Financing Mechanisms

[Innovative Financing Mechanisms for Infrastructure Projects](#)

## 6. Project feasibility, approvals & infrastructure planning

### Technical Feasibility

Evaluate the technical viability of the proposed project, including:

- Site conditions and suitability
- Engineering and design requirements
- Construction methods and materials
- Technology and innovation considerations

- Operational and maintenance requirements

| Document             | Link                                                                                                                                                                                                    |
|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Housing Consumer Act | <a href="https://gov-api.gadoi.platform.org.za/uploads/project_documents/157/Housing_Consumer_Act.pdf">https://gov-api.gadoi.platform.org.za/uploads/project_documents/157/Housing Consumer Act.pdf</a> |

## Master Plan Integration

Ensure alignment of the project with existing spatial, regional, and municipal master plans. Key considerations include:

- Land-use and zoning compatibility
- Integration with transport, energy, water, and ICT networks
- Compliance with provincial and national planning policies
- Long-term urban and regional development objectives

| Document                                   | Link                                                                                                                                                                                                                                                |
|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| first_home_finance_presentation_ppra_2024_ | <a href="https://gov-api.gadoi.platform.org.za/uploads/project_documents/157/first_home_finance_presentation_ppra_2024_.pdf">https://gov-api.gadoi.platform.org.za/uploads/project_documents/157/first_home_finance_presentation_ppra_2024_.pdf</a> |

## Alternative Evaluation

Analyze possible project alternatives to identify the most optimal solution. This includes:

- Technical alternatives (design, construction, and technology options)
- Financial alternatives (funding mechanisms, public-private partnerships)
- Environmental and social alternatives (locations, layouts, restoration methods)
- Risk and feasibility assessment of each alternative

## Infrastructure Planning Prioritization

Develop a comprehensive infrastructure plan covering:

- Hard infrastructure (roads, buildings, utilities, energy systems)
- Soft infrastructure (ICT, governance, and service systems)
- Phasing, sequencing, and implementation strategy
- Cost estimation, lifecycle considerations, and risk mitigation
- Maintenance, operation, and monitoring arrangements

| Document                        | Link                                                                                                                                                                                                                         |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Human Settlement AR2024 Website | <a href="https://gov-api.gadoi.platform.org.za/uploads/project_documents/157/Human Settlment AR2024 Website.pdf">https://gov-api.gadoi.platform.org.za/uploads/project_documents/157/Human Settlement AR2024 Website.pdf</a> |

## 7. Delivery Mechanism & procurement strategy

### WCG Sector Priorities

| Outcomes                                                                                                                         | Social             | Energy & Water       | Economic             | Technology           | Ecological           |
|----------------------------------------------------------------------------------------------------------------------------------|--------------------|----------------------|----------------------|----------------------|----------------------|
| Households have increased access to basic services and improved shelter                                                          | Short Term 1-5 YRS | Short Term 1-5 YRS   | Short Term 1-5 YRS   | Short Term 1-5 YRS   | Short Term 1-5 YRS   |
| Infrastructure investment drives spatial transformation and improves spatial resilience                                          | Short Term 1-5 YRS | Medium Term 5-15 YRS | Short Term 1-5 YRS   | Medium Term 5-15 YRS | Short Term 1-5 YRS   |
| Investment in social infrastructure improves access to health, education, social development, and recreation opportunities       | Short Term 1-5 YRS | Short Term 1-5 YRS   | Medium Term 5-15 YRS | Short Term 1-5 YRS   | Short Term 1-5 YRS   |
| Mobility systems and transportation corridors provide safe and efficient connectivity to opportunities, services, and facilities | Short Term 1-5 YRS | Short Term 1-5 YRS   | Long Term 15-30 YRS  | Short Term 1-5 YRS   | Medium Term 5-15 YRS |

### Community Participation

- **Initiation**

- Define project objectives, scope, and deliverables
- Establish governance structures and project team
- Identify stakeholders and conduct preliminary assessments
- Develop project charter, feasibility analysis, and funding strategy

1] Phase-1  
Initiation

- **Design**

- Conduct detailed technical, architectural, and engineering designs
- Prepare environmental, social, and heritage assessments

- Develop operational plans, procurement strategy, and risk management plans
- Engage stakeholders for feedback and approvals

#### 1] Phase-2 Design

##### • **Develop**

- Finalise detailed designs and technical specifications
- Secure permits, approvals, and funding commitments
- Procure contractors, suppliers, and service providers
- Establish monitoring and quality assurance mechanisms

#### 1] Phase-3 Develop

##### • **Implement**

- Execute construction, restoration, or infrastructure development works
- Manage project schedule, budget, and quality control
- Coordinate with stakeholders and ensure compliance with regulations
- Conduct progress reporting and adaptive management

#### 1] Phase-4 Implementation

##### • **Handover**

- Conduct final inspections and acceptance tests
- Deliver operational manuals and training to relevant personnel
- Transfer ownership and responsibility to the designated authority
- Complete final documentation and close-out reports

#### 1] Phase-4 Handover

##### • **Monitor & Evaluate**

- Track performance against KPIs, targets, and service standards
- Evaluate social, economic, and environmental impacts
- Identify lessons learned and best practices
- Make recommendations for future interventions or scaling

#### 1] Phase-6 Monitor and Evaluate

## Procurement Methods

### 1. Procurement Strategy

Detail the approach for sourcing goods, services, and works, including:

- Compliance with E-Procurement Solution (ePS), Western Cape Supplier Evidence Bank (WCSEB), and Preferential Procurement Regulations (2022)
- Application of Sustainable Public Procurement (SPP) principles where relevant
- Use of competitive bidding, framework agreements, or Public-Private Partnerships (PPPs)
- Integration of local content, B-BBEE, and designated group participation
- Monitoring and evaluation of procurement performance and supplier compliance

### 2. Municipalities

### 3. Communities

## Risk Sharing Mechanisms

Risk sharing and mitigation planning ensures that potential risks associated with the project are identified, allocated appropriately, and managed effectively to safeguard project delivery, cost, and q1. Risk Identification

- Identify all potential risks across project phases (Design, Develop, Implement, Operate).
- Categories of risk include:
  - **Technical Risks:** Design flaws, construction challenges, technology failure
  - **Financial Risks:** Cost overruns, funding shortfalls, currency fluctuations
  - **Operational Risks:** Staff shortages, maintenance issues, service disruptions
  - **Environmental & Social Risks:** Climate impacts, community opposition, regulatory non-compliance
  - **Legal & Regulatory Risks:** Permitting delays, contractual disputes

### 2. Risk Allocation / Sharing

- Allocate risks to the party best able to manage them:
  - **Project Owner:** Strategic, financial, and regulatory risks
  - **Contractors / Suppliers:** Construction, technical, and operational risks
  - **Financiers / DFIs:** Funding, interest rate, and currency risks
  - **Shared / Joint:** Risks requiring collaboration, e.g., community engagement or environmental mitigation

### 3. Mitigation Strategies

- Develop strategies to reduce the probability and impact of risks:
  - Contingency planning and reserve allocation

- Insurance coverage (construction, operational, environmental)
- Regular monitoring, reporting, and adaptive management
- Capacity building, training, and technical support
- Compliance audits and stakeholder engagement

#### **4. Risk Monitoring & Reporting**

- Establish risk registers, tracking tools, and escalation procedures.
- Assign responsibility for monitoring specific risks.
- Conduct regular reviews and update mitigation measures as the project progresses.

## **8. Special (eg. gender) procurement actions and social impact**

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### **Social Benefits**

#### **1. Department of Social Development Policies**

- Focus on child protection, substance abuse prevention, disability inclusion, and older persons' welfare
- Promotes community-based care and support systems

#### **2. Inclusive Economic Development**

- Supports SMMEs, women- and youth-owned enterprises
- Encourages job creation through public procurement and infrastructure projects

#### **3. Public Participation and Equity**

- Ensures community involvement in planning and decision-making
- Promotes equitable access to services and opportunities

#### **4. Expanded Public Works Programme (EPWP)**

- Provides short-term employment and skills development
- Targets vulnerable groups including youth, women, and persons with disabilities