

An aerial photograph of a construction site showing a grid of steel reinforcement bars (rebar) laid out on a concrete surface. Several construction workers wearing hard hats and safety gear are visible, working on the rebar grid. The workers are positioned at various points across the grid, some standing and others crouching. The rebar is arranged in a dense, rectangular pattern, with vertical and horizontal bars intersecting. The background is a light-colored concrete surface, and the overall scene is in black and white, except for the workers' clothing which is in color.

CONSTRUCTION BOOK

PROJECTS 2026

EDITION 3

www.infrastructuresa.org

 **INFRASTRUCTURE**
South Africa

FOREWORD BY THE MINISTER OF PUBLIC WORKS AND INFRASTRUCTURE

The publication of the Third Edition of the Construction Book comes at an important time for South Africa's infrastructure and construction sectors.



Hon. Dean Macpherson,
Minister of Public Works and
Infrastructure

Government's infrastructure programme must do more than identify projects. It must provide the market with greater visibility of projects that are funded, sufficiently prepared and expected to move into procurement and construction. This visibility is important for rebuilding confidence in the infrastructure pipeline and enabling the construction industry to plan ahead.

The Construction Book is one of the instruments through which we are seeking to provide that certainty. It brings together projects across the public sector that are expected to enter the market over the coming 12 to 18 months and provides contractors, financiers, professional service providers, suppliers and other industry participants with an indication of the opportunities that lie ahead.

For the construction industry, advance

knowledge of the pipeline matters. Companies need time to plan their capacity, retain and develop skills, secure equipment, establish supply chains and build the partnerships necessary to compete for work. Emerging contractors and smaller firms also need sufficient lead time to position themselves within project and procurement opportunities. A more visible pipeline enables the industry to make these decisions on the basis of better information.

The Third Edition also reflects the importance of collaboration across the infrastructure system. The projects contained in this publication have been submitted by departments, provinces, municipalities, state-owned entities and other implementing institutions. I would like to acknowledge these institutions for their cooperation with Infrastructure South Africa and



for the work being undertaken to strengthen the quality and visibility of the national infrastructure pipeline.

The value of the Construction Book will, however, increasingly be measured by what happens after publication. Infrastructure South Africa will therefore strengthen the monitoring of projects contained in the Book, working with project owners to track progress towards procurement and construction. This will allow government to understand where projects are progressing, where delays are emerging and where intervention may be required.

This work forms part of a broader effort to improve the infrastructure investment environment. Better project preparation, stronger coordination, greater transparency on

the pipeline and more predictable procurement are all necessary if we are to increase infrastructure investment and strengthen the capacity of the construction sector.

The Construction Book must therefore be understood as more than a catalogue of projects. It is an important market-signalling instrument and part of government's commitment to building a more credible and predictable infrastructure pipeline.

I encourage the construction industry, investors and other partners to engage with the opportunities reflected in this Third Edition and to continue working with government as we strengthen the infrastructure pipeline and improve the delivery of projects across the country.

STATEMENT BY HEAD OF INFRASTRUCTURE SOUTH AFRICA

The Third Edition of the Construction Book marks a further step in Infrastructure South Africa's work to improve visibility of the country's infrastructure pipeline and provide the construction industry with more useful and timely market information.



Ms. Mameetse Masemola
Head of Infrastructure South Africa

This edition comprises 110 projects across six infrastructure sectors, with a combined value of approximately R395 billion and a national geographic spread. Beyond the headline numbers, this edition also reflects important changes in the composition and maturity of the infrastructure pipeline.

For the first time, Public-Private Partnership projects are specifically included in the Construction Book, with opportunities across transport, social infrastructure and water and sanitation. This reflects the increasing importance of alternative procurement and financing approaches as government seeks to crowd in private-sector capital, expertise and operating capability.

We have also significantly expanded the coverage of municipal infrastructure. Whereas the previous edition profiled one municipality, this edition includes other metropolitan

municipalities such as the Cities of Polokwane, eThekweni Municipality and Johannesburg, as well as other municipalities such as Mogale City. Municipal infrastructure is also the largest sector in the Book by value, comprising 10 projects valued at approximately R112 billion. This expanded municipal focus is important given the central role of local government in providing water, sanitation, roads, electricity and other infrastructure that enables communities and local economies to function.

A further addition is digital infrastructure, which did not feature as a separate sector in the previous edition. The Third Edition includes three digital infrastructure projects valued at approximately R28 billion, including investments associated with MeerKAT and the SAeX East Subsea Fibre-Optic Cable. For ISA, an equally important development is that we are beginning to see projects that we supported upstream through project preparation, packaging,



technical work and coordination progressing downstream into procurement and construction, for example Tygerberg Hospital PPP. This is precisely what project preparation must achieve, resolving the issues that prevent viable projects from moving through the infrastructure value chain and reaching the market.

The Construction Book therefore also provides an increasingly useful basis for measuring the performance of the pipeline. From this edition, ISA intends to introduce quarterly monitoring of projects contained in the Book, working with project sponsors to track procurement milestones, tenders issued, awards, construction commencement and material changes to project timelines, scope and value. This will enable us to better understand how projects are converting from planning and preparation into procurement and construction, identify recurring constraints and provide more timely information to the construction industry

on opportunities approaching the market. The Construction Book will complement, rather than replace, formal procurement platforms such as National Treasury's eTender Portal. Our intention is to create a clearer line of sight between the forward infrastructure pipeline and the tenders that subsequently enter the market, enabling contractors, professional service providers, suppliers and financiers to plan and position themselves earlier.

The credibility of the Construction Book rests on the quality of the information it contains and, importantly, on the strength of the collaboration that underpins it. I would therefore like to thank the CEOs of state-owned companies and public entities, Heads of Department, municipal managers, and the many technical teams who have worked tirelessly with Infrastructure South Africa to provide, verify and refine the project information contained in this edition. We value this partnership and look forward to deepening

it as we strengthen the Construction Book as a trusted source of infrastructure pipeline and market information and progressively move towards more regular and timely reporting on projects coming to market.



CONSTRUCTION SECTOR OVERVIEW

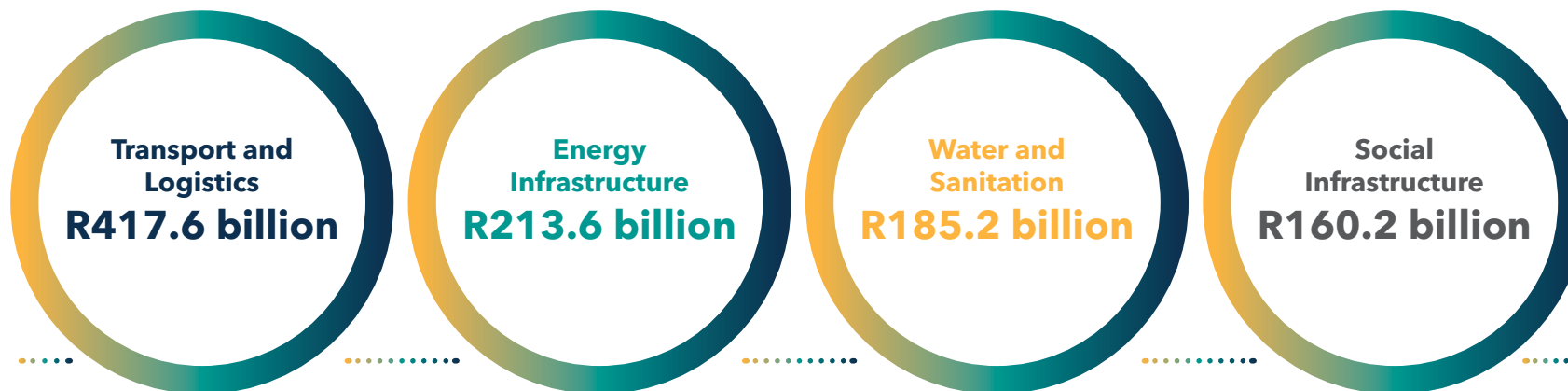


CONSTRUCTION SECTOR OVERVIEW

The construction industry is navigating a complex operating environment marked by renewed government focus and persistent sector challenges. As a major employer in South Africa, the sector remains vital to economic growth and job creation. Employment in construction increased by 34,937 in the fourth quarter, bringing total employment to 1.42 million people by the end of 2025. Construction contributed 2.30% of national value added, in

constant prices, according to GDP estimates, although this share declined from the previous year. While activity is improving, growth remains gradual. Strengthening infrastructure governance, addressing construction-related criminal disruption, and restoring local government delivery capacity will be critical if the sector is to support broader growth and employment objectives.

The National Treasury has approved an infrastructure budget of R1,066.4 billion for a three-year period starting in 2026/27. This budget focuses on several key sectors, including:



These sectors were highlighted in the second edition of the Construction Book, which was launched at the Sustainable Infrastructure Development Symposium of South Africa (SIDSSA), and social infrastructure is a new sector focus for this year. The social infrastructure sector consists of Health, Education, Human Settlement and Other Social Services.

In alignment with our mandate to coordinate the development,

management, and monitoring of a comprehensive infrastructure pipeline, the third edition of the Construction Book will also concentrate on these key sectors. The Construction Book aims to provide a transparent overview of the upcoming project pipeline across the country, offering crucial insights for industry planning. This information will enable stakeholders to make informed decisions regarding their business strategies, resource allocation, and economic opportunities.

CONSTRUCTION SECTOR OVERVIEW

Total GVA for the Construction sector in 2025Q4 was R98 billion.

In 2025Q4, GVA growth decreased to -1.3% from 0.1% in 2025Q3.

Average GVA growth was -4.2% for the last 10 years.

In the fourth quarter of 2025, total Gross Value Added (GVA) in the construction sector was R98 billion, down from R99 billion in the third quarter. This represented a 1.3% quarter-on-quarter decline and reflected continued pressure on sector output. For 2025 as a whole, the construction GVA averaged R99 billion, compared with R103.6 billion in 2024. Although the sector remains below pre-pandemic levels, it continues to play a central role in South Africa's long-term development strategy because of its contribution to infrastructure delivery, employment, and economic growth. From 2025 to the current period, South Africa's construction sector has remained in a recovery phase rather than a full growth cycle. Public infrastructure investment has become the main driver of renewed confidence, particularly in transport and logistics, energy, water and sanitation, and municipal infrastructure. However, delivery continues to be constrained by weak local government implementation capacity, procurement delays, project preparation gaps, rising input costs, and disruptions on

construction sites. These pressures have resulted in uneven output growth, highlighting the need for coordination by Infrastructure South Africa. This coordination will improve planning, promote private-sector involvement, and support job creation. With the government's commitment to revitalising the sector, there are promising indications of potential recovery and expansion.

The newly approved Integrated Social Facilitation Framework by the Department of Public Works and Infrastructure (DPWI) aims to combat organised crime and protect important construction projects. This framework serves as a vital tool in our efforts to address recurring challenges in South African infrastructure projects, such as weak community engagement, public distrust, site disruptions, and low local participation. It will introduce a coordinated approach to social facilitation with accredited facilitators, improved governance, enhanced monitoring and evaluation, and a risk-based strategy for community-related risks.

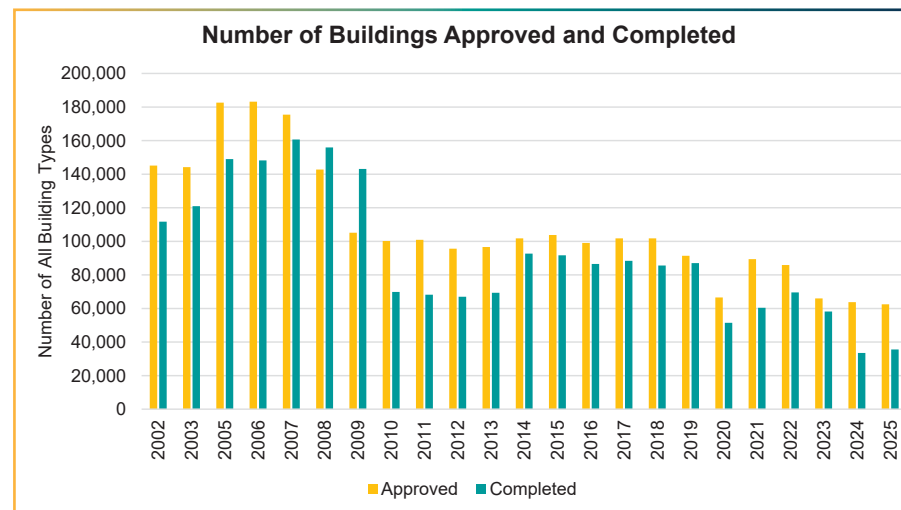
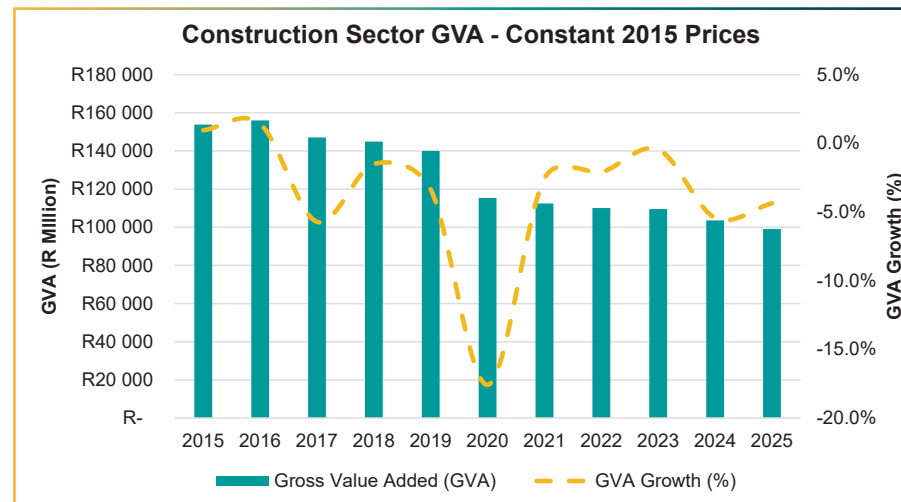
CONSTRUCTION SECTOR OVERVIEW

Over the past decade, South Africa's construction sector experienced a sustained downward trend, interrupted only by brief periods of stabilisation.

Output peaked in 2016 at approximately R156 billion (a 1.4% year-on-year increase) before entering a sharp contraction in 2017, when activity plunged by nearly 6.0% to R147 billion. This structural slide was further exacerbated by the acute shock of the COVID-19 pandemic in 2020. While the sector has since struggled with broader stagnation, quarterly performance offers a slight glimmer of stability, edging up by 0.1% in the fourth quarter of 2025.

Evaluating the pipeline from initial building approval to completion offers actionable insights into the construction sector's latent potential. Historical data show that even during challenging economic cycles, developers have successfully brought major projects to completion, most notably when completions outpaced approvals in 2008 and 2009.

Addressing municipal turnaround times, input costs, and developer sentiment offers a clear path to narrowing the execution gap and translating approved plans into active, value-generating developments.



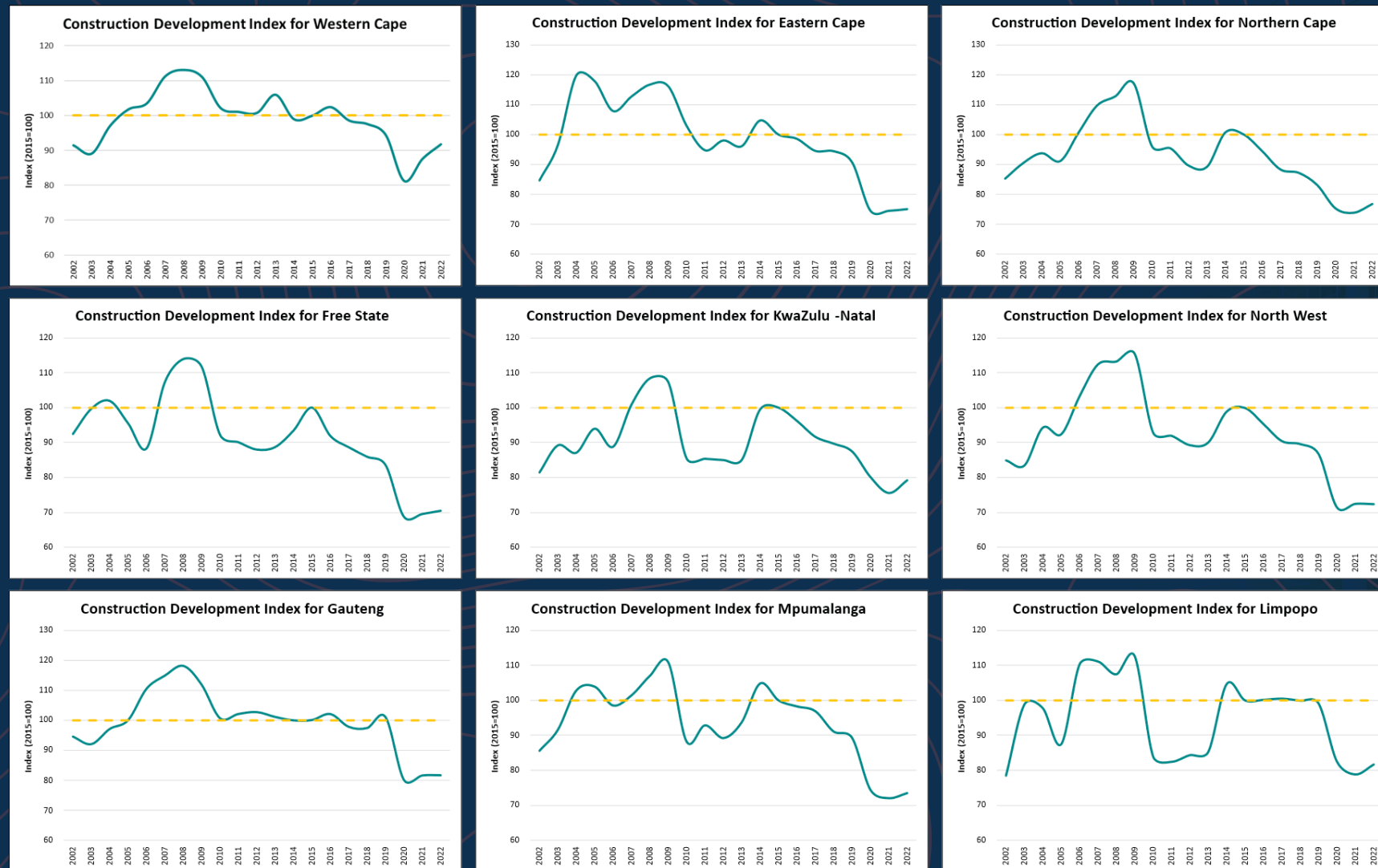
CONSTRUCTION DEVELOPMENT INDEX



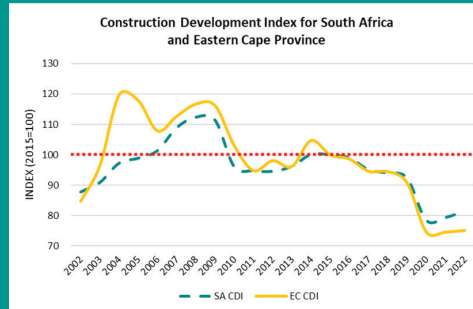
CONSTRUCTION DEVELOPMENT INDEX



Overview of Provincial CDI (2015=100)



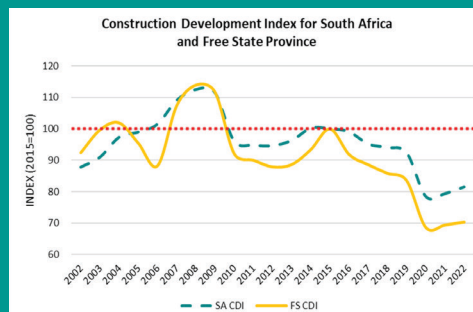
PROVINCIAL CDI ANALYSIS (1)



Eastern Cape CDI

Trend: EC CDI shows a narrative of “resilient but divergent” growth.

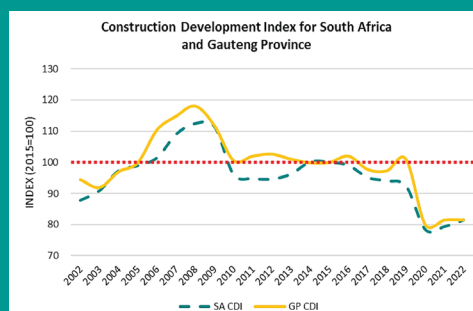
Insight: Technical efficiency may be the key focal shift required to improve the construction environment in the Eastern Cape.



Free State CDI

Trend: FS CDI shows more volatility than the average national CDI.

Insight: Enhancing capital productivity and driving the completion of physical infrastructure and buildings to revitalise the Free State construction sector and lift the CDI.

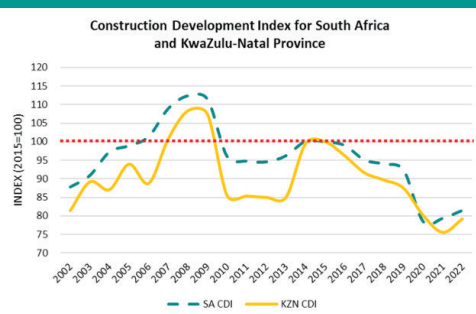


Gauteng CDI

Trend: GP CDI shows similarities to the national average CDI; however, the province outperformed the national average despite a general industry-wide decline.

Insight: Gauteng’s high concentration of complex commercial and civil projects makes it more susceptible to macro-volatility.

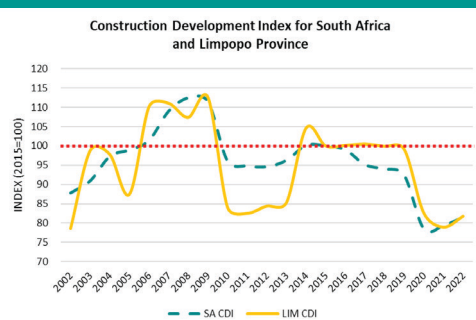
PROVINCIAL CDI ANALYSIS (2)



KwaZulu-Natal CDI

Trend: KZN CDI shows a logistics-centric construction industry, noting the ongoing logistics and industrial development along the N2 and N3 corridors.

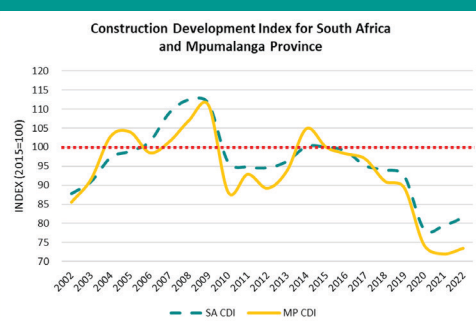
Insight: KZN has seen a localised surge driven by massive state-led infrastructure spending, which could result in a "logistics-led recovery for the construction industry



Limpopo CDI

Trend: LIM CDI shows a highly volatile sector that exhibits much sharper peaks and deeper contractions.

Insight: The health of the industry and the CDI is most accurately mirrored by the completion of buildings.

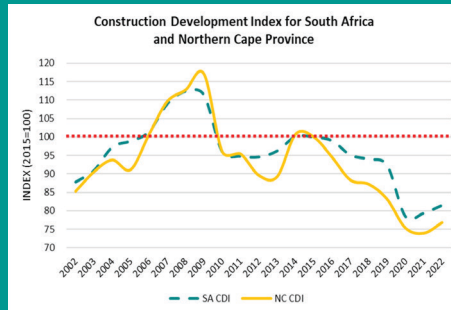


Mpumalanga CDI

Trend: MP CDI shows high volatility and sensitivity at the peaks and troughs, with the provincial CDI performing similarly to the national average over the period.

Insight: The construction industry in Mpumalanga is tied almost exclusively to the efficiency of large-scale assets (noting the correlations for capital productivity and buildings completed).

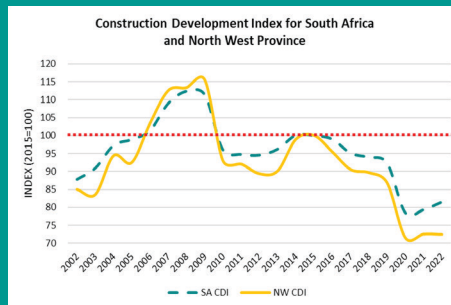
PROVINCIAL CDI ANALYSIS (3)



Northern Cape CDI

Trend: NC CDI shows some volatility in periods of growth and decline, with the provincial CDI following a similar trend to the national average.

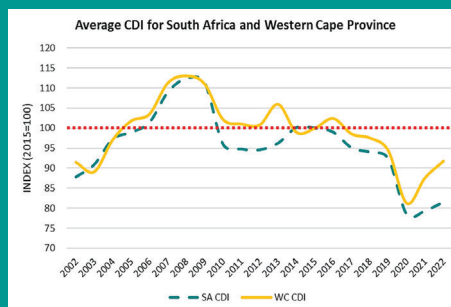
Insight: CDI only moves meaningfully when projects are completed. Important to note that logistical delays often stall GFCF from turning into actual development, given the province's remote nature.



North West CDI

Trend: NW CDI shows a highly volatile performance, with the provincial CDI closely tracking the national average.

Insight: The construction health of the province is driven by efficiency and output (productivity and completions) far more than by investment volume or job creation.



Western Cape CDI

Trend: WC CDI shows similarities to the national average CDI; however, the province outperformed the national average.

Insight: Western Cape's construction sector is driven more by efficiency and investment than by the sheer number of people employed (noting that there is a weak link between employment and the CDI).



PROJECT PIPELINE OVERVIEW





Value of the Book:
R395 billion

Number of Projects:
110



Number of Sectors:
6

Geographical Spread:
National

PUBLIC PRIVATE PARTNERSHIPS

This is the first time PPP projects have been featured in the Construction Book.

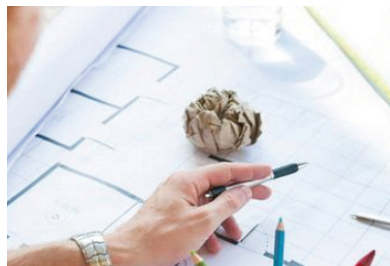
The PPP Framework was revised with effect from June 2026 to make accommodations for the following enhancements for infrastructure development: Fast-track approval path for PPPs below R2 billion, more delegated authority to accounting officers, PPP Advisory Unit provides technical oversight, improved project preparation and governance.

In addition, the private sector may now make unsolicited bids on conceptual projects aligned with public sector priorities.

Overall, this improves the investment landscape for collaboration on infrastructure projects.



Address infrastructure backlogs



Drive economic growth and long-term investment



Create jobs



Improve public service delivery and asset management

Some of the highlights from the 3rd edition include the following projects:

TRANSPORT SECTOR

Rail Corridor [National]

SOCIAL INFRASTRUCTURE

George Mukhari Hospital [Gauteng]

WATER & SANITATION

Beitbridge Musina Water Transfer Scheme [Limpopo]

MUNICIPAL INFRASTRUCTURE

Municipal infrastructure is a key feature in the Construction Book.

This sector forms the foundation upon which South Africa's towns, cities, and rural communities function and entails essential public assets and services such as roads, water supply systems, sanitation facilities, electricity networks, stormwater drainage, public transport, and waste management systems.

With municipal infrastructure being critical to supporting economic development and improving the quality of life for citizens,, as well as 2026 being a Local Government Elections year, it is worth showcasing the plethora of work being undertaken in key municipalities in the country.

Investing in sustainable infrastructure helps municipalities prepare for future challenges while supporting long-term development goals. Investment platforms often require robust governance, project preparation, monitoring, and reporting mechanisms.

This can encourage municipalities to improve project planning, asset management, financial management, and operational efficiency. Enhanced governance increases investor confidence and improves the long-term performance of municipal infrastructure assets; which are generally long-term in nature and can generate predictable revenue streams through service charges, tariffs, user fees, and municipal agreements. As a result, these projects can be attractive to institutional investors seeking stable, long-term returns with low to moderate risk.

In support of the country's infrastructure development agenda, it is imperative to include municipal projects. eThekweni Municipality, City of Cape Town, City of Polokwane, City of Tshwane, Mogale

City and City of Johannesburg feature in this year's edition of the Construction Book. These municipalities are implementing projects that help address critical infrastructure deficits, improve service delivery, stimulate economic growth, create jobs, and promote sustainable development.

At the same time, they offer investors access to long-term, impactful investment opportunities. Well-structured investment platforms can therefore serve as a powerful vehicle for mobilising capital, strengthening municipalities, and building more resilient and inclusive communities across South Africa.

Municipal infrastructure is a key feature in the Construction Book.

MUNICIPAL INFRASTRUCTURE

Municipalities play a critical role in the provision of essential services such as waste management, water and sanitation, roads, electricity and water and sanitation, the quality of which directly affect the quality of life of the communities that they serve.

Municipalities have fine-tuned their planning to be more strategic and long-term in nature, enabling them to attract investment from the private sector, integrate cities better through smart precinct planning, and overall, facilitate a cascade of projects and regulations to unlock adjacent projects with dependencies. This approach has made this sector the largest in this year's edition of the Construction Book. Projects to look out for include the

Leratong Mixed-Use Development Bulk Services Programme (G.P), Sibaya Coastal Precinct (KZN) and Phillipi Collect Sewer (W.C).

Infrastructure quality is often the most visible measure of local government performance and with elections set for November 2026, it is encouraging to note the quantum of work currently under execution or planned for the coming 12 - 24 months as municipalities reinforce their approach towards building efficient and financially sustainable municipalities.

R112 b

SECTOR VALUE

The geographical spread spans the major metro municipalities. This sector is the highest valued sector within the Construction Book.

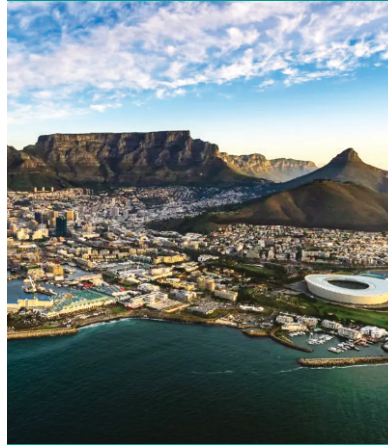
10

NUMBER OF PROJECTS

Many of these projects are long-term and catalytic projects, which not only include multidisciplinary and stakeholder participation but also unlock many adjacent projects.

MUNICIPAL INFRASTRUCTURE

City of Cape Town



Key Themes:

- Leveraging off existing energy partnerships;
- Alternative funding models;
- Water and Sanitation

eThekweni Metro



Key themes:

- Collaboration with private parties;
- Multi-disciplinary projects;
- Holistic precinct development with municipal services

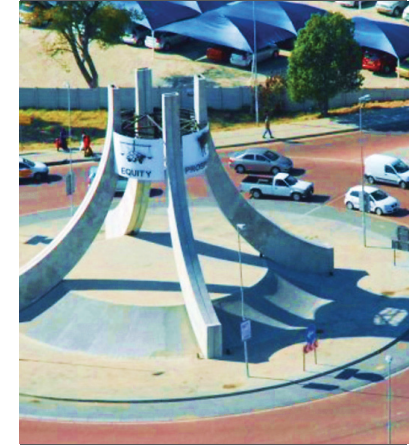
Mogale City



Key Themes:

- Water and sanitation sustainability;
- Integrated and smart precinct development

City of Polokwane



Key Themes:

- Water infrastructure implementation;
- Healthcare upgrades and investment;
- PPP projects

WATER SECTOR PROJECTS

Water sector projects include dams, water treatment plants, wastewater treatment facilities, irrigation systems, reservoirs and pipelines.

South Africa is one of the world's water-scarce countries, with limited freshwater resources and uneven rainfall patterns. Growing population demands, urbanization, and climate change place increasing pressure on available water supplies.

In the Municipal space, many existing water systems suffer from aging infrastructure, leaks, and inefficiencies. Upgrading pipelines, treatment facilities, and distribution networks reduces water losses, improves service delivery, and lowers operating costs. Projects featured in this year's edition of the Construction Book aim to address these challenges, as well as spearhead sustainability initiatives and improve overall water resilience.

R35 b

SECTOR VALUE

There is a slight drop in the number of projects featured this year due to a number of upcoming projects still in Planning phase. Municipalities feature highly in this sector as they tackle the service delivery requirements for water delivery and wastewater management.

18

NUMBER OF PROJECTS

Water sector projects are generally long-term in nature hence are implemented in phases or significant work packages. Projects to look out for include Southern Aqueduct (KZN) and COCT Desalination (W.C).

WATER SECTOR PROJECTS



TRANSPORT SECTOR PROJECTS

Transport infrastructure remains a vital element of the construction industry and a foundation for economic activity.

With a sector comprising public transport systems, rail, roads, logistics, airports and ports, efficient transport networks reduce travel times and logistics costs, improve productivity, and enable businesses to access local and international markets more effectively.

Project sponsors remain active in this sector noting the sector as a key enabler of economic development. While the demand for new and maintenance projects remains high, numerous projects have been split into phases to ensure bankability and improve their chances of being implemented successfully.

Transport sector infrastructure projects are vital for South Africa because they stimulate economic growth, create jobs, support trade and tourism, improve access to essential services, strengthen regional integration, and promote social inclusion. Continued investment in transport infrastructure is critical for achieving sustainable development and improving the quality of life for South Africans.

Key projects to look out for include the Upgrade of the R24 (N.W) and Rail Container Corridors (Nationwide).

R81 b

SECTOR VALUE

The sector includes a mix of procurement strategies ranging from PPP's to open and negotiated tenders.

The projects have a National spread.

41

NUMBER OF PROJECTS

The majority of projects belong to SANRAL with major municipalities (City of Cape Town and eThekweni Municipality) solidifying their presence in this sector. There is also a revival of rail and ports projects by the Transnet group.

TRANSPORT SECTOR PROJECTS



ENERGY SECTOR PROJECTS

The energy sector includes substations, power plants, transmission lines, wind farms, solar farms, energy storage systems, and oil and gas facilities.

This year sees a resurgence of projects in a sector that has performed the strongest in previous editions of the Construction Book.

Energy sector projects are highly significant to the construction industry because they create employment, drive infrastructure development, attract investment, promote technological advancement, and boost economic growth. In South Africa, where energy reliability is critical for development, energy projects play a vital role in strengthening both the construction sector and the broader economy.

Key projects to look out for include Aries-Aggenys 400kV Line (N.C) and the Refurbishment of the Main Plant at Steenbras (W.C).

R86 b

SECTOR VALUE

The sector spread remains National with a mixed procurement approach in line with the various organisations supply chain and governance policies. Tender information is easily obtainable on their respective websites.

29

NUMBER OF PROJECTS

The majority of projects belong to Eskom, which continues to perform exceptionally under its current leadership. Municipal projects are also featured with sponsors such as City of Cape Town and Midvaal starting to showcase their projects.

ENERGY SECTOR PROJECTS



DIGITAL INFRASTRUCTURE PROJECTS

Digital infrastructure refers to the technology and systems that enable digital communication and access to information. This includes broadband networks, mobile networks, data centers, fiber-optic cables, internet services, and communication technologies.

The world renowned South African Radio Astronomy MeerKAT project features highly in this sector, with 60 new dishes being built. The first phase of SAeX East Subsea Fibre-Optic Cable is in its elementary phases and is another project to look out for.

This fast-growing industry remains critical for South Africa's development as it supports education, healthcare, business growth, government services, and financial inclusion. By expanding affordable and reliable digital connectivity, South Africa can reduce inequality and improve economic opportunities for all citizens.

R28 b

SECTOR VALUE

The sector includes a mix of procurement strategies ranging from PPP's to open and negotiated tenders. The projects have a National spread.

3

NUMBER OF PROJECTS

This is a new sector to the Construction Book and features existing and future projects.

DIGITAL INFRASTRUCTURE PROJECTS



SOCIAL INFRASTRUCTURE PROJECTS

Social Infrastructure is the lifeline of public sector service delivery and includes projects such as schools, hospitals, housing, water and sanitation systems, libraries and the like. They are often non-revenue generating in nature.

Access to basic services remains a challenge, however, the State continues to invest in this sector and the projects in this year's edition of the Construction Book showcase this. Projects to look out for include Tygerberg and Belhar Hospitals (W.C), Durban Film City (KZN), Joburg Fresh Produce Market (G.P) and Limpopo Central Hospital (L.P).

Social infrastructure remains vital in South Africa because it improves access and living standards, builds more inclusive communities, promotes education and health, reduces inequality, creates jobs, and supports long-term economic development.

R52 b

SECTOR VALUE

The geographical spread is centred within the major metro municipalities. With the revision of PPP regulations, it is envisioned that more municipalities will adopt the PPP approach as they plan projects and strategies longterm.

16

NUMBER OF PROJECTS

This sector sees the largest opportunity for PPP projects to be structured and implemented given their longterm, operational nature and ability to offer value-for-money.

SOCIAL INFRASTRUCTURE PROJECTS







The background image is a composite. The left side shows a construction site at dusk or dawn, with a large yellow excavator in the foreground and a multi-story building under construction in the background. The right side shows a high-speed train, possibly a Shintaro, in motion, blurred to suggest speed. The entire image has a dark blue overlay. There are decorative graphic elements: a large yellow-to-teal gradient circle in the top right and a large yellow-to-teal gradient shape resembling a stylized '1' or a checkmark on the right side.

INFRASTRUCTURE South Africa

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