

Projects for Good

An analysis of the viability of private sector impact investment in rural infrastructure development in South Africa

The purpose of the research is to provide the private sector with an understanding of commercially viable rural infrastructure, as an alternative asset class in impact investment.

The argument of infrastructure development as an accelerant to reduction of poverty and national growth has been proven in both literature and completed projects, similarly in successful impact investment in commercially viable rural infrastructure projects, where investors gain up to or greater than market value financial returns. However, the South African private sector has shown very low confidence, and government or Public Private Partnerships (PPP) have shown very little or no progress in rural infrastructure development.

The research methodology chosen is a comparative study using case studies which reflect both successful and unsuccessful rural infrastructure projects in developing countries, which will be presented through a short report and a blog. This will also focus on the sustainability of infrastructure effectiveness through smart and green initiatives such as green technology, clean energy, waste

recycling (including water), and low embodied energy construction processes and materials.

With regards to the most effective South African rural locations for high impact investment, the project assesses best routes to commercial markets, in particular the emerging concept of 'blue economy'. A distance of 1082 km of the South African coastline consists of two provinces (of 263,327 km²) where rural locations are in close proximity to the national ports and have a headcount of 67,3% and 60.7% adult poverty, respectively. The South African ocean economy is still small, and with five ports along the coastline of the two provinces there is a great potential for national growth, poverty alleviation, and global competitiveness.



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