

 Early Warning System

AFDB-P-ZA-F00-013

SOUTH AFRICA - Infrastructure Governance and Green Growth
Programme (IGGGP)



Quick Facts

Countries	South Africa
Financial Institutions	African Development Bank (AFDB)
Status	Approved
Bank Risk Rating	C
Voting Date	2025-06-26
Borrower	Government of South Africa - National Treasury; Department of Electricity, and Energy; and other
Sectors	Energy, Law and Government
Investment Type(s)	Loan
Investment Amount (USD)	\$ 461.90 million
Project Cost (USD)	\$ 2,934.64 million



Project Description

The Infrastructure Governance and Green Growth Programme (IGGGP) is an African Development Bank (ADB) Loan to The Republic Of South Africa (RoSA) in support of the Government's Just Energy Transition programme (JET)). It encompasses energy, transport and social sector reforms. It is a single year operation (at the request of Government) in the context of a multi-year approach from the Bank. The IGGGP aims to advance energy security, support a just and green transition, and improve transport sector efficiency. It will boost power generation and transmission capacity, upgrade the performance of Municipalities in the electricity distribution subsector, improve the use of fiscal instruments to reduce carbon emissions, accelerate the implementation of the Just Energy Transition Implementation Plan, support workers and communities to manage the impact of the Just Energy Transition, and improve the regulatory framework for governance and efficiency in the transport sector. It builds on the EGCRSP USD 300 million PBO programme approved in 2023, which helped to set the foundations of the JET.

IGGGP will advance energy security, support a just and green transition, and improve transport sector efficiency. It will increase the renewable energy in the grid; improve governance of the energy sector; improve operational performance in electricity distribution at municipal level; strengthen carbon pricing to reduce carbon emissions, support overall Just Energy Transition implementation and support affected communities to manage the impact of the transition. Furthermore, the transport sector is a key component of the Just Energy Transition and was added to the Just Energy Transition Investment Plan by the Government of South Africa because transport is a major source of GHG emissions and energy use so improving efficiency can help reduce emissions, lower overall energy demand, and ease the shift to renewable energy alongside creating new economic opportunities. It should also be noted that the JET implementation plan includes two transport related priorities, specifically electric vehicle manufacturing and the road to rail agenda. Moreover, 20 per cent of Transnet's cost structure is energy related and energy efficiency in the transport sector has been identified as a major opportunity.

The programme's direct beneficiaries are the National Treasury (NT), the Department of Electricity, and Energy (DoEE) and the Department of Transport (DoT). State entities including Eskom, Transnet and NTCSA will also benefit.



Early Warning System Project Analysis

Environmental Category: [3] Low Risk

According to the Appraisal Report, the project was classified as Category 3, validated on 28 October 2024 in line with the Bank's Integrated Safeguards System (ISS) requirements and Business Standards. IGGGP focuses on structural reform of the energy industry, freight transport and carbon pricing and, as such is not expected to have significant environmental and social risks.



Investment Description

- African Development Bank (AFDB)

Finance Type: Standard loan

Commitments (UA): 346,207,430

Conversion Rate USD (2025-07-23): 1,33412

Type of Loan: Fully Flexible Loan

Tenor: Up to 25 years inclusive of Grace Period

Grace Period: Up to 8 years

Total project cost (US\$): 2,934,640,000



Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.afdb.org/en/disclosure-and-access-to-information/request-for-documents>. Under the AfDB's Disclosure and Access to Information policy, if you feel the Bank has omitted to publish information or your request for information is unreasonably denied, you can file an appeal at <https://www.afdb.org/en/disclosure-and-access-to-information/appeals-process>.

ACCOUNTABILITY MECHANISM OF AfDB

The Independent Review Mechanism (IRM), which is administered by the Compliance Review and Mediation Unit (CRMU), is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an African Development Bank (AfDB)-financed project. If you submit a complaint to the IRM, it may assist you by either seeking to address your problems by facilitating a dispute resolution dialogue between you and those implementing the project and/or investigating whether the AfDB complied with its policies to prevent environmental and social harms. You can submit a complaint electronically by emailing crmuinto@afdb.org, b.kargougou@afdb.org, b.fall@afdb.org, and/or s.toure@afdb.org. You can learn more about the IRM and how to file a complaint at: <https://www.afdb.org/en/independent-review-mechanism/>



Bank Documents

- [Appraisal Report \(EN\)](#)
- [Appraisal Report \(FR\)](#)