Early Warning System

WB-P505813

South Africa Metro Trading Services Program



Quick Facts

Countries	South Africa
Specific Location	Tshwane, Cape Town, Ekurhuleni, Magaung, Johannesburg, eThekwini, Nelson Mandela Bay, Buffalo City
Financial Institutions	World Bank (WB)
Status	Proposed
Bank Risk Rating	В
Voting Date	2025-04-30
Borrower	Government of South Africa
Sectors	Infrastructure, Water and Sanitation
Investment Type(s)	Loan
Investment Amount (USD)	\$ 1,000.00 million
Project Cost (USD)	\$ 2,900.00 million



Project Description

According to the Bank's website, the development objective is to improve the accountability, financial and operational performance of trading services in South Africa's metropolitan municipalities.

The MTSP aims to respond to the institutional capacity needs of eight major metros, enabling substantive interventions in response to deteriorating infrastructure services (water and sanitation, waste and electricity). The MTSP will assist the metros to leverage additional funding for their infrastructure needs for these services. The eight targeted metropolitan municipalities include the City of Johannesburg, Ekurhuleni and Tshwane located in Gauteng Province, the City of Cape Town located in Western Cape Province, eThekwini located in Kwa-Zulu Natal, Nelson Mandela Bay and Buffalo City located in Eastern Cape Province and Mangaung located in Free State Province.



Early Warning System Project Analysis

The ESSA concluded that the overall environmental and social risk associated with the program is considered Moderate. The environmental and social benefits associated with the project will be significantly positive and outweighs the anticipated adverse effects which are temporary and manageable. Environmental and social benefits associated with the program include i) reduced greenhouse gas emissions, ii) less demand for development of greenfield water resources, (iii) less pollution from wastewater treatment works and raw sewage discharges. (iv) reduced pollution associated with illegal dumping of waste and poor landfill site operations, iii) promotion of a circular economy to assist with reducing waste volumes to landfill, iv) enhanced access to basic services such as water and electricity provisions to vulnerable households and enhanced public health because of improved environmental controls. While the Program has an overall highly significant benefit, some potential adverse environmental and social impacts could occur namely, health and safety risks to workers and minor pollution risks associated with civil and electrical construction works. Social risks may include i) potential displacement risks associated with civil works in water and sanitation sector; ii) potential standardization of what constitutes levels of indigency, where the potentially reduced scale of benefits could compromise the existing access of those vulnerable and iii) social conflict between waste pickers due to a resource decline in real value.



Investment Description

• World Bank (WB)

World Bank Lending: US\$ 1,000.00 million

Government program Cost: US\$ 2,900.00 million



Contact Information

World Bank

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Implementing Agencies

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ACCESS TO INFORMATION

To submit an information request for project information, you will have to create an account to access the Access to Information request form. You can learn more about this process at: https://www.worldbank.org/en/access-to-information/request-submission

ACCOUNTABILITY MECHANISM OF THE WORLD BANK

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Bank Documents

- Concept Program Information Document (PID) (English)
- P505813 Draft Environmental and Social Systems Assessment (ESSA) South Africa Metro Trading Serv
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