



MINISTRY OF FINANCE
REPUBLIC OF SOUTH AFRICA

Private Bag X115, Pretoria, 0001 • 40 Church Square, PRETORIA, 0002 • Tel: +27 12 315 5372, Fax: +27 12 406 9055 • www.treasury.gov.za

SPEECH BY DEPUTY MINISTER OF FINANCE

KEYNOTE ADDRESS BY DEPUTY MINISTER OF FINANCE, DR DAVID MASONDO AT THE AFRICA CONSULTATIVE MEETING ON SOUTH AFRICA'S LEGACY INITIATIVE TO ACCELERATE CROSS BORDER INFRASTRUCTURE IN AFRICA: THE UBUNTU APPROACH 28 JULY 2025

Director General for the Southern Africa Regional Development here at the African Development Bank, **Dr Kennedy Mbekeani**

Advisor to the Commissioner for Infrastructure and Energy at the African Union Commission, **Mr Lufuno Mammburu**

Director of Regional Integration and Infrastructure at AUDA-NEPAD, **Mr Amine Idriss Adoum**
Heads of Regional Economic Communities or their representatives

Senior Officials representing countries across the continent

Deputy Director General for the Africa Branch in the Department of International Relations and Cooperation, **Ambassador Tebogo Seokolo**

Esteemed guests

Ladies and gentlemen

Introduction

I extend a warm welcome to everyone joining us – both in-person and virtually to this inaugural consultative meeting focused on advancing cross-border infrastructure development across the African continent

South Africa assumed the G20 Presidency at a time when the world faces several crises and challenges.

The challenges are exacerbated by the rising geopolitical tensions and trade fragmentation. Addressing these challenges require bold and collective action.

Under the theme of Solidarity, Equality and Sustainability, our G20 Presidency aims to lead a positive change for the benefit of shared prosperity and humanity.

African Unity

In these moments of fragmentation that Africa needs to unite.

It is in these moments of fragmentation that we should remember the unifying grand vision of African leaders such as Kwame Nkruma, who dreamt of the United States of Africa.



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An integrated, prosperous and peaceful Africa is a necessary condition:

- a. for solving Africa's problem and
- b. for Africa's ability to contribute positively to the world.

The aspirations of the Africa we want, as expressed in Agenda 2063, are advanced in the developmental approach we have taken in the G20 and whose outcomes will echo for years to come.

Impediments to growth and development in Africa

The Finance Track has proposed a structured framework for G20 engagement to support African countries and the continent as a whole.

This is a multi-year undertaking that builds on previous and current initiatives and will culminate in an African Engagement Framework that spans 2026-2030.

The focus is on:

- a. addressing macroeconomic vulnerabilities,
- b. strengthening public institutions,
- c. enhancing infrastructure development and
- d. creating a conducive environment for the private sector to contribute to growth and development in African countries.

Africa is the world's youngest and fastest urbanising continent. It has substantial untapped potential. Yet it faces significant growth and development challenges.

Effectively addressing impediments to growth can be transformative and require multiple, coordinated and cross-cutting interventions.

Infrastructure

Allow me to take a closer look at infrastructure as one of the impediments to economic growth and development.

Africa contends with inadequate transportation networks, unreliable energy supply and limited logistics systems, all of which;



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- a. constrain productivity,
- b. raise the cost of doing business and
- c. hinder access to both regional and global markets.

Closing the massive infrastructure gap can contribute significantly to lifting growth and improve living standards.

The AfDB estimates Africa's infrastructure financing gap at between US\$130-170 billion annually.

At the same time, climate change and nature losses have disproportionately affected Africa, thus underscoring the urgent need to adapt and build resilience.

The Infrastructure Working Group of the G20 is focused on addressing these issues by exploring how greater private sector participation in public infrastructure can be mobilised. Its priorities under the South African Presidency are on:

- a. Developing an investable infrastructure pipeline
- b. Scaling up sustainable infrastructure investment through blended finance
- c. Delivering cross-border infrastructure for regional development

These priorities are important for fast tracking infrastructure development in support of sustainable and inclusive economic growth.

Cross border infrastructure

Allow me to now focus on the cross-border infrastructure priority, which is critical for supporting the full operationalisation of the African Continental Free Trade Area (AfCFTA).

Building cross-border infrastructure and operationalising the African Continental Free Trade Area (AfCFTA) are consistent with the themes and dreams of our Pan-African leaders such as Kwame Nkrumah, which I earlier mentioned.



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Cross border connectivity through roads, bridges, railways, water and transmission lines is vital for:

- a. fostering trade,
- b. enhancing competitiveness and
- c. lifting the living standards of our people.

Regional cooperation and economic integration underpin Africa's long-term growth.

An integrated Africa is a prosperous Africa.

However, providing cross-border infrastructure presents unique challenges stemming from:

- Coordination complexities,
- Divergent stakeholder incentives
- Asymmetry in costs and benefits between the countries involved
- Differences in legal, regulatory and institutional capacity; and
- Funding coordination among countries with varying financial market maturity

These challenges are significant but not insurmountable.

Building on South Africa's G20 Presidency's conceptual framework developed last year under the G20 Brazilian Presidency, we are developing a practical toolkit to guide countries, regional bodies and other stakeholders to overcome the major barriers to:

- a. planning,
- b. financing,
- c. implementing and
- d. managing cross-border infrastructure projects.

The toolkit will leverage the **three pillars of the conceptual framework**, namely:

- a. economic rationale planning;
- b. political support and governance,
- c. and finance and management.

The toolkit is developed from an African context, although its design will be easily adaptable for wider application.



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The toolkit will offer:

- a. a clear methodology for planning cross-border infrastructure in a manner that is aligned with national and regional development goals;
- b. facilitate greater participation of the private sector; and
- c. It will also promote the leveraging of synergies between government agencies and ministries that are involved in cross-border infrastructure.

This work is jointly led by the **AfDB, Asian Infrastructure Investment Bank and the World Bank.**

The legacy project

To ensure the effective implementation of the toolkit in Africa, we have partnered with the AfDB to:

- a. raise awareness on the project,
- b. gather your input on how the project can be strengthened, and
- c. develop a joint action to continue advocacy for the project.

Today's gathering marks a significant step in a journey that extends well beyond this meeting and South Africa's G20 Presidency.

Conclusion

By integrating the Ubuntu initiative into the G20 Infrastructure Working Group's agenda, South Africa together with our partners, has placed Africa's development priorities at the core of the global infrastructure agenda.

South Africa is committed to collaborating with the African Union, the AfDB and regional bodies to:

- a. advocate for the institutionalisation of the Toolkit and
- b. encourage broader application by the G20 and non-G20 countries



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Our shared vision is to:

- a. unlock and accelerate cross-border infrastructure development,
- b. support the goals of the AfCFTA; thus placing a long-term growth, development of the African continent and the world, at the forefront.

These will require unity of the world and Africa in particular. As President Julius Nyerere once said,

“Unity will not end our weakness, but until we unite, we cannot even begin to end that weakness.”

I wish for a successful outcome from this meeting today.

Thank you.