

MEDIA RELEASE	PSA welcomes World Bank loan: Calls for proper oversight regarding infrastructure investment
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The Public Servants Association (PSA) welcomes the recent approval of a R27 billion loan by the World Bank, aimed at expanding South Africa's electricity transmission infrastructure, but cautions regarding the possibility of looting.

This funding must be ringfenced to the three identified key pillars of structural reform, namely improving energy security, enhancing efficiency, and competitiveness of freight transport services as well as supporting the country's transition towards a low carbon economy. Whilst this significant investment should play a crucial role in addressing the country's energy challenges and unlocking economic growth, government does not have a good record in respect of financial and project management. National Treasury has not covered itself in glory when it comes to oversight. This was seen with the looting of state resources under its watch, including during the COVID-19 scandal. Overpricing by service providers conspiring with politically connected persons seems to be the *modus operandi* for unduly benefiting from state coffers. National Treasury must ensure that there is value for money, as the country has seen many projects collapsing when massive amounts have been paid, with no consequence management and recovery of stolen money.

National Treasury is called upon to guard the utilisation of this investment, ensuring that the money is used to transform the infrastructure landscape. The impact of energy and freight transport sector challenges is well documented and has become a barrier to economic development that has caused suffering to many. This money is intended to unlock the country's stagnant economy. This investment should be aimed at opening up employment opportunities, especially for the youth.

The PSA calls on National Treasury to establish a multi-disciplinary team, inclusive of the Auditor-General's office, business, civil movement, and labour to ensure that no unscrupulous hand is allowed anywhere near public finance. Preventing any stealing will save the country from establishing costly commissions or even signing proclamations for the overburdened Special Investigating Unit to investigate.

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