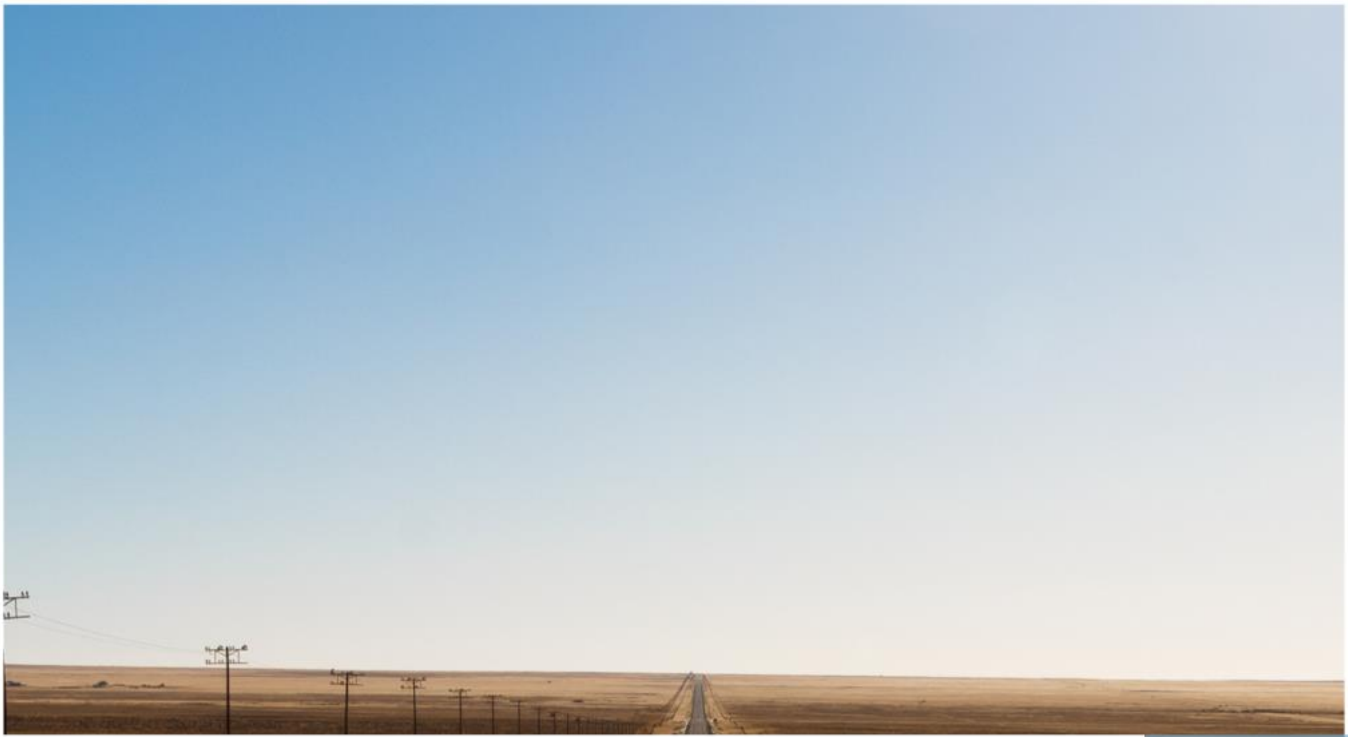

LEVERAGING PARTNERSHIPS AND MACROECONOMIC POLICY FOR INFRASTRUCTURE DEVELOPMENT IN SOUTH AFRICA - A REVIEW APPROACH

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LEVERAGING PARTNERSHIPS AND MACROECONOMIC POLICY FOR INFRASTRUCTURE DEVELOPMENT IN SOUTH AFRICA- A REVIEW APPROACH

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ABSTRACT

The African continent faces many economic development challenges, and infrastructure plays a vital role in accelerating and breaking barriers to economic advancement. With a limited fiscal budget allocation by governments towards infrastructure development, the success and failure of public infrastructure investment are also dependent on policies and public-private partnerships, among others. Through a literature review on leveraging partnerships, this study addresses the impact of leveraging partnerships in the Development Bank of Southern Africa (DBSA) ecosystem. These lucrative partnerships can unlock pipeline development for South Africa and sub-Saharan Africa. The study's findings include the challenges to infrastructure delivery, which are governance structures, National Development Plans, mandates and capacity building, as well as fiscal budgets, which are not able to single-handedly fund capital-intensive projects/programmes in the absence of strategic partners to provide financing solutions. Therefore, the study concludes that if development financing partnerships are well established, value creation will be realised, and benefits can be yielded for all stakeholders involved. Finally, the study recommends a consolidated framework that allows for clear guidelines for partnerships with monitoring and evaluation of investments for impact.

Keywords: Infrastructure development, Partnerships, Policy, Review, South Africa

INTRODUCTION

Socio-economic development, or the development of an economy, is dependent mainly on infrastructure development (PIDA, 2010; Srinivasu and Rao, 2013; Bhattacharya et al., 2015). However, there is no standard definition of infrastructure used in all economic studies (Torrisi, 2009). Infrastructure is defined by Dobbs et al. (2013) as the framework or fundamental basis that sustains a community's progress and this definition highlights the infrastructure's vital role in socioeconomic development. Significant changes are made to the surrounding area by infrastructure developments, such as building roads, tunnels, subways, trains, and the like.

According to Flyvbjerg et al. (2004), infrastructure developments are hugely expensive (commonly referred to as significant or even mega), and their deliverables are meant to benefit society for many years. Infrastructure developments get the attention of several stakeholders because of their magnitude and social effects.

The most crucial factor for successful infrastructure development is stakeholder engagement and partnership (Park et al., 2017). According to Smith et al. (2001), stakeholders are the representatives—direct and indirect—who may be interested in and are? able to contribute to the project that is being presented. Previous definitions of stakeholders, such as those contained in the publications of Turner (1999) and Moodley (1999), included those who were seen to have a genuine claim against the project's substantive components because they believed they had an interest in or benefitted from the project at hand. A more thorough definition of a stakeholder may be found in Winch's (2002) work, in which anyone who directly gains from the project or experiences loss is considered a stakeholder. Furthermore, partnership is the process by which parties join together to talk about matters of mutual interest in order to find a middle ground (Gray, 1989; Bramwell and Lane, 2000; Jamal and Stronza, 2009). A successful partnership strengthens ties across organisations, guarantees increased actor engagement, offers workable answers to issues, and makes it easier to make decisions in unison. However, the lack of partnership among stakeholders can have a detrimental influence on infrastructural developmental outcomes (Waris et al., 2022).

In addition, Ma'rifah (2022) opined that the government can, through policy, determine the direction and success of infrastructural development. Gumede (2008) posited that all openly stated goals of a government driven by widespread desire are collectively referred to as public policy. Public policies, however, can be described in various ways that meet various criteria by their very nature. The true goal of public policy is to improve the country's welfare significantly or, more specifically, to impact human lives positively. Other factors, including political or public engagement, which breathe life into the policy-making process, are responsible for public policy's mainstream existence. Consequently, it is generally acknowledged that public policy is a matrimonial executive and that choices made by the public entail public consideration or political engagement from both state and non-state entities.

Considering the above, the underlying reason for this study is to investigate the advantages of partnerships and macroeconomic policies, especially for development finance institutions (DFIs), in infrastructure development in South Africa. According to Netshiswinzhe et al. (2023), the state of the economy in South Africa is dire right now: unemployment is at an all-time high, poverty and inequality are still rampant, and the economy is not expanding. The government must make smart investments in infrastructure development to put the nation on a growth trajectory. The nation's growth depends on well-planned and managed infrastructure, and these investments should be made in a way that will eliminate the spatial legacies of the past. However, the National Development Plan (NDP, 2011) report shows that the slow progress in infrastructure development is due to the failure to implement policies and an absence of broad partnerships. Through a literature review on leveraging partnerships, this study addresses the impact of leveraging partnerships in the Development Bank of Southern Africa (DBSA) ecosystem. These lucrative partnerships can unlock pipeline development for South Africa as well as sub-Saharan Africa. This can be key to advancing infrastructure delivery and human capacity development for the? public good and economic growth.

DEVELOPMENTAL FRAMEWORKS

From a global perspective, the eight worldwide development objectives formed after the United Nations Millennium Summit in 2000 are outlined in the Millennium Development Goals (MDGs) published by the United Nations in 2013. At least 22 international organisations pledged to become involved in achieving the MDGs by 2015, and all 191 United Nations member states at the time approved the UN Millennium Declaration (Millenium Development Goals, 2013). These goals include ending extreme poverty and hunger, the realisation of universal primary education; the advancement of gender equality and women's empowerment; the reduction in child mortality; the enhancement of maternal health; the fight against HIV/AIDS, malaria, and other diseases; the maintenance of the environment; and the formation of international development partnerships. Partnerships were elevated in Goal 8 of the MDGs as one vehicle with the target of developing further an open, predictable, rules-based, non-discriminatory financial and trading system. Also, meeting the unique requirements of tiny island developing states, landlocked nations, and least developed countries was a further target. Lastly, an additional priority was collaborating with the private sector to share the advantages of emerging technology, particularly ICTs.

Furthermore, all governments agreed in 2015 to replace the MDGs with 17 global goals known as the Sustainable Development Goals (SDGs) of the United Nations. Value creation that is achieved sustainably to ensure development is a shared element between the Africa 2063 Agenda and the South African NDP 2030. Even though each SDG has specific objectives, the overarching aims are connected. “Transforming our World: The 2030 Agenda for Sustainable Development,” or Agenda 2030 for short, is another name for the SDGs. This study will focus on unpacking Goal number 17, which speaks to partnerships. SDG goal 17 recognises multi-stakeholder partnerships are crucial tools for mobilising and exchanging information, skills, funds, and technology to help all nations—but especially poor nations—achieve the goals of sustainable development. Building on the expertise and resource-allocation tactics of partnerships, it further aims to foster and advance successful public, public-private, and civil society collaborations. The interlinkages and integrated nature of the SDGs, as reflected in Table 1, are crucial in ensuring that the purpose of the new global agenda is realised. Partnerships for Goals: Goal 17 is unpacked below with finance, technology, capacity building, trade, systematic issues, multi-stakeholder partnerships, data monitoring and accountability as keys to its success.

Table 1: Sustainable Development Goal 17 (Source: United Nations 2015)

SDG GOAL 17: PARTNERSHIPS FOR THE GOALS	
• **Finance**	**17.1:** Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection.

	17.2: Developed countries to implement fully their official development assistance commitments, including the commitment by many developed countries to achieve the target of 0.7 per cent of ODA/GNI to developing countries and 0.15 to 0.20 per cent of ODA/GNI to least developed countries; ODA providers are encouraged to consider setting a target to provide at least 0.20 per cent of ODA/GNI to least developed countries. **17.3:** Mobilize additional financial resources for developing countries from multiple sources. **17.4:** Assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring, as appropriate, and address the external debt of highly indebted poor countries to reduce debt distress. **17.5:** Adopt and implement investment promotion regimes for least developed countries.
• **Technology**	**17.6:** Enhance North-South, South-South and triangular regional and international cooperation on and access to science, technology and innovation and enhance knowledge sharing on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the United Nations level, and through a global technology facilitation mechanism. **17.7:** Promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed. **17.8:** Fully operationalize the technology bank and science, technology and innovation capacity-building mechanism for least developed countries by 2017 and enhance the use of enabling technology, in particular information and communications technology.
• **Capacity-Building**	**17.9:** Enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the sustainable development goals, including through North-South, South-South and triangular cooperation.
• **Trade**	**17.10:** Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the World Trade Organisation, including through the conclusion of negotiations under its Doha Development Agenda.

	17.11: Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries' share of global exports by 2020. **17.12:** Realize timely implementation of duty-free and quota-free market access on a lasting basis for all least developed countries, consistent with World Trade Organisation decisions, including ensuring that preferential rules of origin applicable to imports from least developed countries are transparent and simple, and contribute to facilitating market access.
• **Systemic issues**	**Policy and Institutional Coherence** **17.13:** Enhance global macroeconomic stability, including through policy coordination and policy coherence. **17.14:** Enhance policy coherence for sustainable development. **17.15:** Respect each country's policy space and leadership to establish and implement policies for poverty eradication and sustainable development.
• **Multi-stakeholder partnerships**	**17.16:** Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the SDGs in all countries, in particular developing countries. **17.17:** Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.
• **Data, monitoring and accountability**	**17.18:** By 2020, enhance capacity-building support to developing countries, including least developed countries and small island developing states, to increase significantly the availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts. **17.19:** By 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries.

Finally, there are other strategic frameworks to guide development. An example is the Southern African Development Community (SADC) Vision 2027. It creates an operational framework that will direct the establishment of a seamless, reasonably priced, transboundary infrastructure in southern Africa. Six pillars support this vision: energy, transportation, tourism, transboundary water resources, meteorology, and information and communication technology (ICT). The SADC Regional Infrastructure Development Master Plan carries out the vision. Also relevant is Agenda 2063 of the African Union (AU). The overarching goal of the AU is to make Africa the next superpower. Agenda 2063 is a strategy framework intended to realise the socio-economic transformation of the African continent over the next fifty years. It was signed in 2015 by several leaders of state from Africa.

Agenda 2063 highlights Africa's future goals while also outlining important flagship programmes to support the region's economic development and prosperity, which will ultimately cause a swift change in the continent. Lastly, the comprehensive South African NDP 2030 is for boosting economic growth, eradicating poverty, and lowering inequality in South Africa. The NDP's primary goal of accelerated economic growth will allow the nation to undergo social and economic change. Large-scale infrastructure projects in the energy, transportation, water, and ICT sectors will eliminate social infrastructure bottlenecks and increase regional integration.

FINANCIAL FRAMEWORKS

To enforce governance, financial management guidelines and frameworks are an important aspect of managing development funds. A financial framework is the term for the policies, procedures, regulations and standing orders. According to the Stern Business School of Business and New York University (2016: 33) on legal structures and frameworks, “Different states vary substantially in their capacity to assemble land for new network infrastructure projects. Compare, for example, two former British colonies: Singapore, which has an unusually aggressive eminent domain law, and India, where historically, it has been difficult for the government to use its legal right to eminent domain. Singapore today has perhaps the world’s finest infrastructure, whereas India’s infrastructure remains chronically underdeveloped relative to the country’s needs”. Furthermore, Ralf Muller (2009) states that “without a governance structure, organisations often run the risk of conflicts and inconsistencies between the various means to achieve organisational goals, the processes, and resources, causing costly inefficiencies that impact negatively on both smooth running and bottom-line profitability. However, the frequency of projects failing to meet these corporate objectives has focused attention firmly on the process of project governance.” Some financial frameworks include the following:

International Financial Reporting Standards (IFRS)

The International Accounting Standards Board (IASB), an independent organisation with headquarters in London, UK, issued the International Financial Reporting Standards (IFRS) accounting rules, or “standards,” as a set of guidelines that, in theory, should apply uniformly to financial reporting by public companies worldwide (Ball, 2005). “The objective of this IFRS is to ensure that an entity’s first IFRS financial statements and its interim financial reports for part of the period covered by those financial statements contain high-quality information. Furthermore, the fundamental economic function of accounting standards is to provide agreement about how important commercial transactions are to be implemented” (Ball, 2005).

Analysis of the G20 IFRS profiles (2018) in the analysis of the uptake of the IFRS's standards reveals the following: "The following observations relate to the information in the profiles of the members of the Group of Twenty (informally, the G20), which is the premier forum for international cooperation on the most important issues of the global economic and financial agenda. The G20 brings together finance ministers and central bank governors from the following 19 countries plus the European Union: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, the Republic of Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, the United Kingdom, and the United States of America. Commitment to a single set of global accounting standards: All the G20 jurisdictions have made a public commitment to supporting a single set of high-quality global accounting standards. Additionally, the audit reports in ten of the fifteen G20 jurisdictions that have adopted IFRS Standards for all or most publicly traded companies refer to conformity with IFRS Standards. The audit reports in the other five G20 jurisdictions using IFRS Standards refer to conformity with IFRS adopted by the European Union. The audit report in Saudi Arabia refers to conformity with IFRS endorsed in Saudi Arabia".

International Monetary Fund (IMF)

Founded in 1945, the International Monetary Fund (IMF) is a group of 189 nations that work to promote international commerce, ensure financial stability, encourage high levels of employment and sustainable economic growth, and lessen poverty on a global scale. The 189 nations that make up the IMF's almost universal membership are in charge of and answerable to it. All macroeconomic and financial sector concerns that impact global stability were included in the Fund's mandate when it was revised in 2012.

For development and to ensure economic stability, Northern Colonial States decided what should be relevant for Southern States, using macroeconomics as a driver. This approach introduced the development theory and related economic policies for nations such as South Africa. These 10 main levers, often known as the Washington Consensus, determine what it means for an economy to expand and develop through ten policy drivers based on GDP performance. Spence (2021) argues that the Washington Consensus list was never intended to be interpreted as a fully elaborated plan, a growth strategy, or a development model. Considering the above, the inherited spatial plans and Bantustans from the colonial and apartheid legacy remain challenging to the South African landscape. In development, this neo-liberal approach lacks the element of environmental, social and governance (ESG) for human resilience and climate matters, an important sustainable development outcome.

BRICS Collaborative Bank – New Development Bank (NDB)

A new multilateral development bank founded in 2014, the New Development Bank was established by the BRICS countries—Brazil, Russia, India, China, and South Africa—to mobilise resources for sustainable development and infrastructure in the BRICS and other neglected emerging economies in order to spur faster development through innovation and state-of-the-art technology (NDB, 2014). The NDB collaboration says that it would collaborate with the BRICS countries in the areas of knowledge and capital, establishing equitable opportunities for the development of each member country and accomplishing development objectives with openness and compassion. With loans to its member nations, the Bank would support ongoing global economic and development initiatives by regional and international financial organisations.

Buhl (1991) echoes that “coordination requires some planning and division of roles and opens communication channels between organisations”. A more durable and pervasive relationship marks pooled or collaborative funds where donors share a common interest and may participate in the re-granting decisions. Participants bring separate organisations into a new structure fully committed to a common mission. The BRICS collaborative partnership through the BRICS Bank answers the aspect of leveraging partnerships from a DFI perspective and appears to lean towards creating a framework for partnerships about DFIs.

Public Finance Management Act (PFMA)

The Public Finance Management Act no. 1 of 1999 (PFMA) is used primarily in state-owned entities to curb fruitless and wasteful expenditure, monitor governance and take proper care of public money. The objective of the Act is “To regulate financial management in the national government and provincial governments; to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in those governments; and to provide for matters connected therewith”.

POLICYMAKERS

Gumede (2008:167) states that “Public policy can be referred to all exposed aspirations of an administration which are propelled by the wish of the people. However, public policy can be defined in more ways than one, which, by their actual nature, satisfy different aspects. The actual objective of public policy is to greatly satisfy the nation's welfare or particularly aimed to touch the lives of individuals positively”. Public policy exists in the mainstream owing to other components, such as public or political participation, which give life to the formulation process. Therefore, it can be widely accepted that public policy is a matrimonial executive and public decisions involve public consideration or political participation through state and non-state actors.

National Development Plan

The National Development Plans (NDPs) are the drivers of any country’s economy and serve succinctly as the agenda for governing. The economy of a country and its agenda are anchored clearly through the NDP for the global community to make determinations on relationship building. Furthermore, an NDP allows existing and potential partnerships to assess commonalities for greater collaborations and shared goals. Importantly, partnerships can offer an advantage as a means of achieving public policy goals that contribute to good citizenship.

DEVELOPMENT BANK OF SOUTHERN AFRICA

A development bank is a specialised financial institution with functions and operations that can be defined regarding its hybrid financial and developmental character (Bruck, 2006). He further stated that “Development banking goes beyond the scope of a development bank in addition to the functions and operations of development banks. Development banks cover relationships of these institutions with national and local governments, with regional and international institutions, and with policymaking and planning agencies”. The Development Bank of Southern Africa (DBSA) acts as a catalyst for unlocking infrastructure and mobilising funding. The catalysation strategy unlocks infrastructure and human capacity development by being an enabler through funding and development projects. The DBSA was founded in 1983 to carry out a wide range of economic development tasks within the framework of the then-current national constitutional system. The DBSA's role and function were altered in 1994 owing to the new Company Act.

According to the Development Bank of Southern Africa Act, the DBSA was reorganised as a DFI in 1997 (Government Gazette, 1997). Its primary aim is to “promote economic development and growth, human resource development and institutional capacity building by mobilising financial and other resources from the national and international private and public sectors for sustainable development projects and programmes in South Africa and the wider African continent”. The objective is to enhance the impact of development in the area by broadening the availability of development funding and proficiently incorporating and executing sustainable development strategies to bolster economic expansion via investments in social-economic infrastructure.

Development Bank of Southern Africa and Partnerships

For the successful embedding of partnerships in the DFI space, the ever-changing global economy and evolving best practices have largely influenced the need for the DBSA to transform and adapt. The role of the DBSA as a DFI is to enable innovative development and to provide a flexible suite of funding instruments for infrastructure development. This cannot be achieved separately from partnerships or collaborative approaches but through catalysing. Based on the reviewed literature relating to leveraging partnerships, the answer to unlocking value is collaborating to deliver on mandates to stakeholders, clients, and shareholders.

There is a significant influence that multi-organisational partnerships have when well executed; these collaborative endeavours provide for public and private economies of scale for greater impact. Huxlam (1996) refers to partnerships as collaboration advantage which offers a compelling substitute for the market, quasi-market, and contractualised arrangements that have shaped the global public management reform movement over the last ten years. Development finance’s value proposition centres on relationship building and leveraging existing or new partnerships to access funding, develop project pipelines, drive capacity development and accelerate infrastructure development. The DBSA has varying types of relationships with partners within the South African context, both regionally and internationally, which are core to attaining the development objectives.

Stakeholder and Strategic Partnerships (Office of the Chief Executive)

Key to the DBSA's DFI competitive advantage and value proposition in strategic partnerships is capacity building. In strategic partnerships, a Memorandum of Understanding (MOU) or Memorandums of Agreements (MOAs) are formulated as a guiding principle indicating, amongst others, the capacity building to be provided as part of the skills exchange. The DBSA's systematic and strategic approach to partnerships with an executive sponsor allocated for oversight, namely the Japan International Cooperation Agency (JICA), the Council for Scientific Research and Industrial Research (CSIR), and BRICS (Brazil, Russia, India, China, and South Africa). The DBSA's development agenda largely influences these partnerships as a state-owned entity through the National Development Plan and mandate, Africa's growth plan trajectory (related partnerships for SADC, EAC & ECOWAS) but leans on and is influenced by the other overarching United Nations (UN) global MDGs which have now been replaced by the SDGs.

A case in point, the SDGs on Partnerships for Goals 17.9 seeks to increase foreign assistance for the implementation of focused and efficient capacity-building in developing nations to support national plans carrying out all of the SDGs, especially through triangular, South-South, and North-South cooperation (UN, 2015). That, as a global imperative, anchors strategic partnerships which enable DBSA developmental objectives and present modalities in which benefits can be extracted and leveraged. Monetary and non-monetary benefits can be in the form of technical expertise in the DFI ecosystem for infrastructure and human capacity development.

Regarding South Africa, the constraints imposed by the state of inequality are compounded by historical issues that require a social contract or compact that promotes sustainable growth, inclusiveness, and shared prosperity. Political decisions and institutional frameworks must be considered when evaluating the financial implications of a society's economic development because they are inextricably intertwined. Institutions such as the DBSA and its partners (private and public) should be adequately utilised as vehicles for development in the new democratic dispensation. Partnerships can be complex and bureaucratic in the absence of enabling legislative environments.

Infrastructure Delivery Division Business Development/Partnerships (IDD)

To manage the complexity of contraction partnerships, legal, in the context of IDD, manages the contracts from "cradle to grave", a full life cycle of the infrastructure rehabilitation mandate such as clinics, schools, and hospitals. Adherence to the Construction Industry Development Board (CIDB) propels the DBSA Supply Chain Procurement Strategy to apply measures that consider related regulations. The IDD is recognised as an implementing agent of choice in the infrastructure delivery environment by municipalities, South African government departments and state-owned entities such as the South African Roads Agency (SANRAL) to execute the infrastructure mandate as a partner. To enable efficiencies in delivery, the IDD activates resources internal to the DBSA, such as supply chain management, a climate financing team (sustainability and just transition) and technical experts and professionals (quantity surveyors, programme managers, planners, and developers). While the IDD team adheres to the CIDB standards to deliver on its mandate, collaboration and partnerships ensure acceleration of service delivery. The types of partnerships in the main include but are not limited to industry players, regulators, interest groups, community groups, tertiary institutions, and financial institutions.

As an example, the IDD has partnered with the University of Johannesburg (UJ) in the development of the building information modelling (BIM) system (virtual platform). This innovation allows for design costs issues of maintenance in buildings. Research students have partnered in artificial intelligence for civil engineering and construction to create a body of knowledge. During the COVID crisis, the DBSA/IDD partnered with the Council for Scientific and Industrial Research (CSIR) innovation in the development and production of respiratory devices deployed across the country. This is evidence of alternative methods to support the COVID crisis – technical and financial.

DBSA Coverage Investment Partnerships

The role of DBSA's Coverage Investment portfolio is to ensure pipeline development through cultivating partnerships in and across the South African borders to advance trade and unlock development. It is important to cultivate relationships post-signing a memorandum of agreement (MOA) or memorandum of understanding (MOU). Importantly, a centralised systematic monitoring and evaluation of relationships/partnerships in collaboration with internal stakeholders pre-, during and post-implementation of projects allows for streamlining to avoid duplication or parallel contracts within the bank. The coverage approach to partnerships is focused on transactions and deal origination; essentially, investments by sector and geography influence partnerships. Also, it is important to maintain relationships with local, regional, and international DFIs, funding institutions, the private sector, commercial banks for risk pooling, regulatory bodies for investment leveraging, and for profiling of DBSA at funding and development forums in partnership with the internal DBSA Treasury Unit for resource mobilisation and strengthening of the DBSA Loan Book.

Importantly, infrastructure deals stem from conversations with partners for the deal makers' pipeline internal to the DBSA. The strategic intent is to source deals, bringing business to the bank, e.g., private sector-led infrastructure transactions to enhance existing sovereign sourced deals. The DBSA participates in working groups and boards of forums e.g., African Development Bank and African Export-Import Bank (Afri-Exim). The advantage of forming part of a network with funding partners and pipeline development was asserted for pipeline development and infrastructure delivery. The DBSA's Integrated Annual Report (2022) reported R15.1 billion as catalysed out of the R33.4 billion total infrastructure delivered partnerships are leveraged – evidence of collaborative investments and value derived.

DBSA funding instruments play a vital role in de-risking projects and mobilising funds for co-investing with other funders such as BRICS/New Development Bank (NDB), Infrastructure Investment Programme for South Africa (IIPSA) - (EU, KfW, AFD, EIB and National Treasury), SADC Project Preparation Development Facility (PPDF), KfW and the European Union (EU), PPFS-AFD, the Global Environment Facility (GEF), the Green Climate Fund (GCF), other project prep facilities – (Electra, InfraCo, Harith, ECOWAS PPF, development banks in countries of operation), the Southern African Development Community Development Finance Resource Centre (SADC DFRC) and commercial banks. Other coverage partners for pipeline development include the Infrastructure Consortium for Africa (ICA), Project Preparation Facilities Network (ICA), Sustainable Infrastructure Foundation (SIF), the Programme for Infrastructure Development in Africa (PIDA) – NEPAD and SADC, Common Markets for East and Southern Africa (COMESA), the United States Trade and Development Association (USTDA), international agencies and associations, DFIs - regional and international, SA Contractors (SA Inc), financial institutions (commercial), the Japan International Cooperation Agency (JICA), and service providers for conferences related to mandate business development opportunities, marketing and public relations.

Public-Private Partnerships

Public-private partnerships (PPPs) are an agreement between the public and private sector to achieve a shared vision and, in the context of this study, public infrastructure delivery, services, and impact. Both parties partner in project creation and execution, as well as sharing the costs, benefits, risks, and resources. Sanusi (2012) opined that there is broad agreement that private funding is necessary for this, even if the government has other alternatives for raising money. When used effectively, private funds reduce financial limitations and increase productivity by utilising the creativity and managerial know-how of the private sector. PPPs are a type of project-specific or long-term cooperation between public institutions and private service providers, according to Gerrard (2001), who made reference to Wilhelm Georg, the President and CEO of Germany's municipal local public transport utilities. PPPs may also provide a way out of the conflict between the government's funding demands under the condition of exclusive public investment and the country's financial crisis. He continues by saying that PPPs address a number of funding issues that public sector businesses have.

According to Lakshmanan and Anderson (2002), macro-level studies encompass econometric evaluations that link the total amount invested in (or stock of) transportation infrastructure to indicators of economic performance across the economy. Generally speaking, they define cost or production functions in which private companies operating within a region or country view public infrastructure as an input to their operations. The projected production and cost functions show how infrastructure investment boosts the productivity of private companies and, in some situations, allows a rate of return on total infrastructure investment to be determined. Considering the factors mentioned above, adopting PPPs is crucial for the growth of economies and for fostering trade harmony, a crucial part of reducing poverty, unemployment, and inequality, as well as political instability.

CONCLUSION

Infrastructure development plays a vital role in accelerating and breaking barriers to economic advancement. Thus, DFIs are, by their nature, government-owned and lead infrastructure development in resident countries globally, acting as a catalyst for funding infrastructure projects/programmes. Infrastructure delivery is therefore key to ensuring delivery on social compacts. Sadly, there are challenges such as governance structures, national development plans, mandates, and capacity building, as well as fiscal budgets, which are not able to fund capital-intensive projects/programmes single-handedly in the absence of strategic partners to provide financing solutions jointly. This study focuses on the Development Bank of Southern Africa as a South African and regional and continental DFI for primary information while considering global DFIs and partnerships' role and ability to transform, resulting in concrete infrastructure projects, to review blockages/dynamics and to increase cohesion. Accordingly, development finance-related standards that contribute to the effectiveness of DFIs are identified in this study, and network links in infrastructure in the form of valuable strategic partnerships are enforced as recommendations in the form of a framework as part of this section's recommendations.

From the review, it has been established that there are fundamental governance structures to be observed globally, namely partnerships, policies and engagements that should be in place for successful infrastructure development and address how greater collaboration and partnerships help unlock value and improve efficiencies for public value. Furthermore, the answer to unlocking value is collaboration to deliver on mandates to stakeholders, clients, and shareholders. Thus, this study stressed the importance of development finance's value proposition centred around relationship building and leveraging existing and prospective partnerships to access the funding project pipeline and accelerate the development agenda. Finally, the study concludes that if development financing partnerships are well established, value creation will be realised, and benefits can be yielded for all stakeholders involved.

The result is the enrichment of lives through direct and indirect development impact, which can lead to profound global improvement, transforming it for the better. Also, there is a need to understand where the world is going, innovative market trends, legislations, best practices, and global associations influencing development financing. Furthermore, Africa needs the unlocking of trade for economic advancement. In addition, the Programme for Infrastructure Delivery in Africa (PIDA), adopted in 2012 by the African Union (AU) and its associated priority plan (PAP), has seen an accelerated rate of development by prioritising the continental programme to address the infrastructure deficit hampering Africa's competitiveness in the global economy.

RECOMMENDATION

Based on the conclusion, a consolidated framework that allows for clear guidelines for partnerships with monitoring and evaluating investments for impact is recommended. Stimulus measures are encouraged as part of economic recovery and growth locally, regionally, and globally in the context of developing countries' development agendas. It is also suggested that all the recommendations and solutions should be actively linked to the National Development Plan with consideration for applicable global and regional alliance legislations. At a global level, the MDG 8 - "Develop a global partnership for development" and SDG 17 – Partnerships for the goals: "Strengthen the means of implementation and revitalise the global partnership for sustainable development" in this context are applicable.

With the above considered, it is therefore imperative to observe that implementation of global strategies comes with its challenges in African states.

Furthermore, governments are encouraged to promote PPPs to fund and capacitate infrastructure needs. Governments are encouraged to formulate policies that support partnerships as a foundation for engagement in infrastructure development and funding thereof. A standardised PPP legal and regulatory framework to accelerate SDG 17 will ease political and legislative blockages and fast-track infrastructure development. A framework is therefore tabled as a recommendation below schematic, a structure for development financing institutions (DFIs) such as the DBSA to reference to and observe, e.g., SDGs globally, BRICS Agenda, PIDA regionally and NDPs nationally, which are relevant for the DFI role of being a strategic catalyst in unlocking value and impact through funding for infrastructure development. The proposed strategy in the form of a working framework (see Figure 1) should be considered when venturing into partnerships and collaborations.

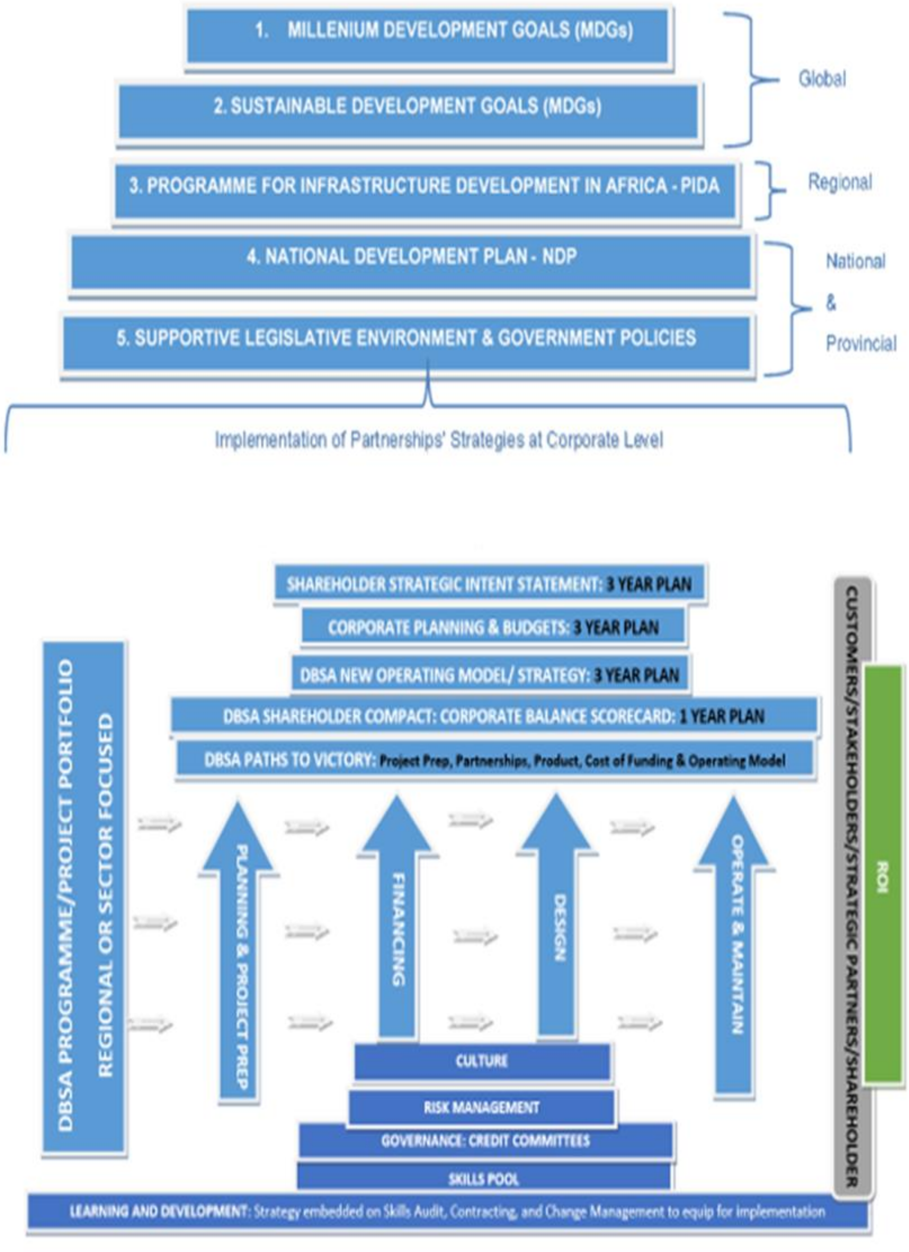

Figure 1: Infrastructure development partnerships framework for DFIs
Source: Author (2023)

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