

MEDIA RELEASE	PSA welcomes PIC's Investment in Africa50 to drive infrastructure development and calls for increased local investment
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The Public Servants Association (PSA) welcomes the decision by the Public Investment Corporation (PIC) to invest \$40 million (approximately R740 million) into Africa50 Group, a pan-African infrastructure investor and asset manager. This investment represents a significant commitment towards addressing Africa's critical infrastructure challenges and driving economic development across the continent. The PIC, which manages assets worth \$141.5 billion on behalf of the Government Employees Pension Fund (GEPF), has become Africa50's 36th shareholder, joining a consortium that includes 32 African states, the African Development Bank (AfDB), the Central Bank of West African States (BCEAO), and Bank Al-Maghrib. This strategic investment underscores Africa50's role in mobilising institutional capital and pioneering infrastructure investment to spur economic transformation in Africa.

The PSA acknowledges the importance of infrastructure development in fostering sustainable economic growth, enhancing service delivery, and creating job opportunities. As a key stakeholder representing public servants, the PSA supports initiatives that seek to address Africa's significant infrastructure deficit, which continues to hamper economic progress and social upliftment. The PIC's Chief Investment Officer, Kabelo Rikhotso, emphasised that the investment aligns with the PIC's "Rest of Africa" investment strategy, leveraging Africa50's extensive presence and expertise to achieve both financial and developmental objectives. He noted that the collaboration would help tackle the slow pace of infrastructure development and promote sustainable investment solutions.

Furthermore, the PSA recognises that the PIC's injection of capital into Africa50 is expected to catalyse various initiatives aimed at enhancing infrastructure financing, such as the Africa50 Infrastructure Acceleration Fund (IAF), the DRE Nigeria Fund, and the Alliance for Green Infrastructure for Africa (AGIA). These projects will play a crucial role in fostering economic growth and improving public services, which will ultimately benefit public sector employees and the broader citizenry. While the PSA supports the PIC's commitment to infrastructure development across Africa, the Union urges the PIC to also prioritise increased investment in South Africa's infrastructure. South Africa faces pressing infrastructure challenges, including deteriorating roads, energy supply issues, and underdeveloped public transport networks. By increasing local investment, the PIC can play a critical role in revitalizing South Africa's economy, creating jobs, and improving essential public services.

Africa50's CEO, Alain Ebobissé, highlighted that the PIC's investment sends a strong market signal about Africa50's ability to generate value for investors and economies alike. The PSA echoes this sentiment and believes that strategic partnerships such as these are essential to unlocking Africa's development potential. However, equal emphasis must be placed on addressing the urgent infrastructure needs within South Africa to support sustainable economic growth and social stability.

The PSA will continue to advocate for responsible investment strategies that prioritise infrastructure growth, job creation, and socio-economic development. We call on the PIC to ensure that this investment contributes meaningfully to the improvement of public infrastructure, benefiting both public servants and the citizens they serve, while also reinforcing its commitment to addressing South Africa's infrastructure and economic challenges.

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