**ADDRESS BY EXECUTIVE MAYOR SELLO 'DADA' MORERO AT THE SUSTAINABLE INFRASTRUCTURE DEVELOPMENT SYMPOSIUM SOUTH AFRICA (SIDSSA), DURING ABOUT YOUR CITY CONNECT SESSION AT CAPE TOWN ON 24 AUGUST 2026**

**TOPIC: BUILDING AFRICA'S FINANCIAL CAPITALS THROUGH SMART INFRASTRUCTURE AND URBAN RENEWAL**

## PROGRAMME DIRECTOR

His Excellency James Njoroge Muchiri, Deputy Governor of Nairobi City County

Colleagues from government, the financial sector, development finance institutions, the property industry and civil society

Distinguished guests

Ladies and gentlemen, good afternoon.

It is appropriate that Johannesburg and Nairobi share this platform. Our cities are not simply large municipalities. They are gateways through which capital, talent, trade and innovation move across the African continent.

Yet Africa's financial capitals will not be built by finance alone. They will be built by infrastructure. A financial capital is built below the ground as much as above the skyline. It is built through reliable water, stable electricity, safe and efficient transport, broadband connectivity, well-managed public space and a municipality that can plan, bill, maintain and respond.

**DISTINGUISHED GUESTS**

Johannesburg is an interesting case study, or rather should I say it has to story to tell, especially about infrastructure that is smart, developmental and resilient. This is not a story that is usually told. Now that I have the platform, let me tell our story.

This is a story about infrastructure that has ensured that 99.3% of it resident has access to water. 96% of resident have access to sanitation services. If the built environment of Johannesburg could talk, it will tell you that 94.6% of households in Johannesburg have access to flush toilets and the 92% of electricity runs through our city. Our city depict a city of hope and dreams of all Africans. Houses are being built and 82% of Joburgers have access to housing opportunities and jobs are being created.

Rating agencies tell a good story better. Maybe Eskom is leading in telling our story because we have settlted our R5.2 billion debt. This is a story about expanding our capital infrastructure to enable the strategic partners to invest in our in ambitious infrastructure programme such as the development of 12 500 kilometres of water pipeline. We understand that bulk of it is aged and requires refurbishment. Every day we are in the capital market raising funds to solve this problem. By dealing with this problem, we are reigniting industrialisation. This approach is in line with South Africa Cabinet approved Industrial Development Strategy.

**DO WE HAVE A SMART INFRASTRUCTURE STORY TO TELL?**

The answer is a big yes. It might get me into trouble with the panel members but our smart city story is practical and it can be touched, seen and heard.

I say this because the City of Johannesburg has:

1. **Integrated its transport systems;** last-mile connectivity such as optical fibre and Wi-Fi, and automated and integrated police enforcement management systems.
2. Ensured that **Johannesburg Water improves the productivity** by establishing an integrated water dispatch centre that is more efficient in managing incoming notifications and can communicate spatially linked water incidents and requests to the workforce by the use of tablets.
3. Ensured that Johannesburg becomes a site for a number of **private sector initiatives to develop precincts or satellite cities as smart cities.** An example would be the best-known being the Modderfontein development that promised to build a new urban district described with narratives of smart and sustainable urbanisation.
4. Johannesburg's **Metropolitan Tech Company provides the broadband, ICT, data-centre, cybersecurity and smart-city backbone needed for this transformation**. Community initiatives such as the scalable Smart Pole project in Slovo Park demonstrate how connectivity, lighting, public safety and access to digital services can be combined. But technology must never digitise dysfunction. It must be tied to process redesign, inclusion and accountable performance.

**MY FELLOW CO-SPEAKER, HIS EXCELLENCY JAMES NJOROGE MUCHIRI**

I would like to argue that infrastructure renewal is not merely a municipal maintenance issue. It is economic policy. It is social policy. It is climate resilience. It is the foundation of a competitive city. Johannesburg's 2026/27 budget is R97.1 billion. We have allocated R8.8 billion to capital investment in the current year and R25.3 billion over the medium term. Importantly, 60% of capital investment is directed towards historically marginalised communities. This is substantial, but it is not sufficient for the scale of the need.

We cannot budget our way out of a R220 billion backlog using municipal resources alone. Nor can we borrow indiscriminately. We must combine reform, prioritisation, credible project preparation and partnership. What does this mean for us:

1. **Protect and renew the infrastructure we already own:** Renewal must be driven by asset condition, service risk and economic consequence - not only by political visibility. A new facility cannot be called progress if the network feeding it is failing. We must strengthen risk-based maintenance, high-impact service operations, asset data and accountability for repeat failures. Every rand spent must reduce service risk and extend the productive life of the asset.

2. **Reform the trading services that underpin the city**: New money cannot simply be poured into unreformed systems. The City is strengthening revenue protection, ring-fencing, smart metering, loss reduction, cost control and performance accountability across its utilities. City Power's Cost of Supply Study indicates that reducing electricity losses from approximately 27% to 15% could unlock up to R3.5 billion in additional revenue without a further tariff increase. That is the scale of value hidden in operational reform.

3. **Treat urban renewal as economic and spatial transformation:** We see Johannesburg's inner city not as a collection of isolated buildings, but as a productive urban system. The Archbishop Desmond Tutu Precinct planning process is one practical expression of this approach, integrating heritage, mobility, walkability, public space, local enterprise and investment within a clear implementation and urban management framework. Renewal must combine law enforcement and building compliance with affordable housing, safer streets, reliable public transport, support for traders, adaptive reuse and private investment. Urban renewal cannot become urban exclusion. The existing residents, workers and businesses of a precinct must share in the value that renewal creates.

4. **Turn public transport corridors into investment corridors:** Transit-oriented development must integrate transport, land release, bulk services, mixed-income housing, commercial development, last-mile safety and faster development approvals. It is not simply the placement of buildings near a bus route. It is the deliberate reduction of the distance between people and opportunity. Infrastructure investment along Rea Vaya and other strategic nodes must unlock denser, mixed-use and more inclusive development.

5. **Apply a harder test to the idea of a smart city:** The term 'smart city' is too often used as a marketing phrase. Johannesburg applies a more practical test: does the technology make a service more reliable, transparent, accessible and affordable? A smart city detects a leak before it becomes a crisis; sees where electricity is being lost; predicts equipment failure; dispatches crews using live information; allows a resident to track a service request; processes applications faster; protects its digital systems; and enables businesses to transact with confidence. Broadband is now a basic economic utility.

6. **Move from a project wish list to an investable pipeline:** Every major project requires a credible business case, lifecycle costing, a revenue or funding model, land and approvals, clear risk allocation, measurable social impact, a procurement pathway and a responsible delivery owner. Only then can cities blend the right sources of capital. Municipal revenue and grants must fund public-good infrastructure. Disciplined borrowing and development finance should support long-life and revenue-backed assets. Public-private partnerships should be used where affordability, value for money and risk transfer are demonstrable. Climate finance must support water resilience, clean energy and waste reform. Developer contributions and land-value capture should help fund infrastructure around renewal and transit nodes. The approximately R3.8 billion KfW facility supporting City Power's infrastructure pipeline demonstrates how long-tenor development

finance can be connected to a defined reform and investment programme. Financing is not only about the cost of capital. It is about the credibility of the institution and the readiness of the project.

7. **Infrastructure must create jobs:** It must create work during design and construction, and it must create a more productive economy after completion. Johannesburg attracted R26.6 billion in investment over the past year and recorded a net increase of 23,000 jobs in the first quarter of 2026. The task now is to sustain that momentum through reliable infrastructure and faster delivery. Our infrastructure programmes must support local procurement, artisans, apprenticeships, township suppliers and small businesses. At the same time, they must open well-serviced sites for housing, industry, commerce and innovation. Public investment must crowd in private capital while protecting public value.

**IN CONCLUSION**

The question is not whether we can afford to renew our infrastructure. The question is whether we can afford the cost of not doing so. Johannesburg's message is clear: we are not managing decline; we are rebuilding the productive platform of Africa's economic engine. We invite Nairobi, investors, development finance institutions, the property sector and our communities to build with us.

Let us judge renewal not by announcements, but by fewer outages and losses, faster movement, safer precincts, homes and businesses unlocked, and jobs created. If we get infrastructure right, financial capital follows. If we make renewal inclusive, prosperity reaches more people. That is the city we are building. A city that is known as the World Class African City.