



**iNFRASTRUCTURE**  
South Africa

# Agriculture & Agro-processing: SIP Projects

**Agri-Logistics and Rural  
Infrastructure**

**13 AUGUST 2025**

# PRESENTATION OUTLINE

**1 THE STRATEGIC INTEGRATED PROJECTS (SIP) 11 OVERVIEW**

**2 STATUS ON STRATEGIC INTEGRATED PROJECTS**

**3 PROJECTS RECEIVING PROJECT PREPARATION**

**4 CONCLUSION**

**5 Q & A**



# OVERVIEW OF SIP 11 FRAMEWORK



## SIP 11: Agri-logistics and rural infrastructure

### NATIONAL DISTRIBUTION OF AGRI-PROJECTS

SIP 11 is aimed at transforming rural economies through infrastructure development in agricultural and rural infrastructure that supports expansion of production and employment, small-scale farming and rural development.

SIP 11 Business Plan lists **25** different high-impact infrastructure development projects, which have been grouped into **8 different value chain areas**, namely:

- Crops,
- Irrigation,
- Livestock,
- Horticulture,
- Fisheries,
- Forestry,
- Biosecurity and R&D.

SIP 11 also monitored and reported on + 800 low impact ancillary projects that are funded by CASP and CRDP



### NATIONAL DISTRIBUTION OF AGRI-PROJECTS

It focuses on:

- Agri-logistics hubs to improve the movement of agricultural goods,
- Rural transport integration to connect remote areas to markets and services - links to main networks (rural roads, branch train-line, ports),
- Revamping rural infrastructure, such as fencing of farms, irrigation schemes to poor areas, improved Rural & Development on rural issues,
- Mechanisation support for small-scale farmers to improve productivity and reduce poverty.



### Components and interconnections with other SIPS

- Storage (fresh produce depots, silos, packing houses) infrastructure
- Freight transport (rail, road & ports) – **SIPs 2; 5 & 7**
- Fencing including for Kruger Park
- Irrigation schemes - **SIP 3 (18)**
- R&D (agricultural colleges) – **SIP 14**
- Processing facilities (abattoirs)
- Aquaculture incubation
- Rural tourism infrastructure
- Border post facilities
- Facilities to manage foot & mouth disease
- Rural human settlement and urban development (revival of small towns) – **SIPs 6 & 7**
- Links to schools & health care infrastructure
- Universal access to electricity and solar water heaters – **SIPs 9 & 10**
- Municipal infrastructure – **SIP 6**
- Expansion of broadband – **SIP15**
- Sustainable farming methods, soil rehab programmes
- Skills development – **SIP 14**



# SIP 23/11 INFRASTRUCTURE PROJECTS



## SIP 23 (A-D): AGRICULTURE & AGRO-PROCESSING

- Strategic Integrated Project (SIP) 23 focuses on agriculture and agro-processing with the goal of **enhancing South Africa's agricultural infrastructure and supporting rural development**.
- The main goal of ISA is to improve investment in agricultural and rural infrastructure, which supports the expansion of production and employment, small-scale farming, and rural development.
- **SIP 23 intends to increase the participation of previously disadvantaged, young and emerging farmers in the agriculture sector and address food security, particularly in rural areas.**
- It aims to create sustainable agricultural practices and boost the economy by supporting small and medium farming enterprises.



The Marine Tilapia Industry Incubator (SIP 23a) in the Eastern Cape



KwaZulu Natal Agri-Hubs Programme (SIP 23c)

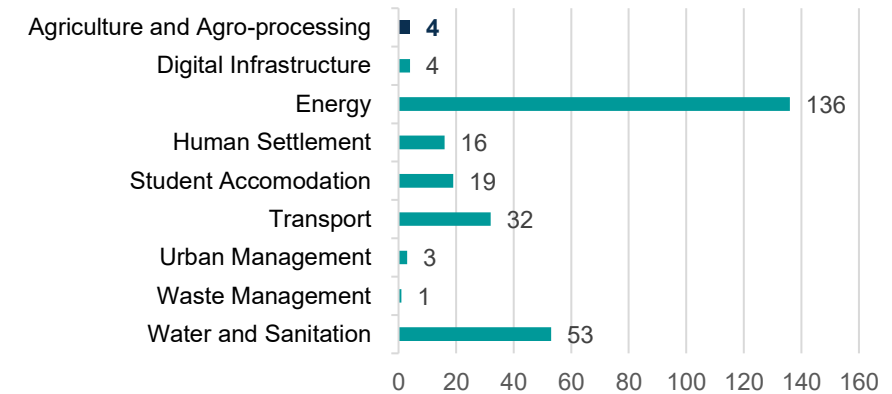


Bokamoso Ba Rona Agri-Industrial Programme (SIP 23d) in Gauteng



Eastern Cape Irrigation Schemes Programme (SIP 18)

## ISA PROJECTS BY SECTOR DISTRIBUTION



Number of Projects  
**04 + (1)**

Est Project Capital Value  
**R 10 billion**

Projects or programmes are at various stages



## National Agri-Parks Programmes



Provincial Overview of Agri-Hubs

**67**



Pilot Projects – AfDB Funded

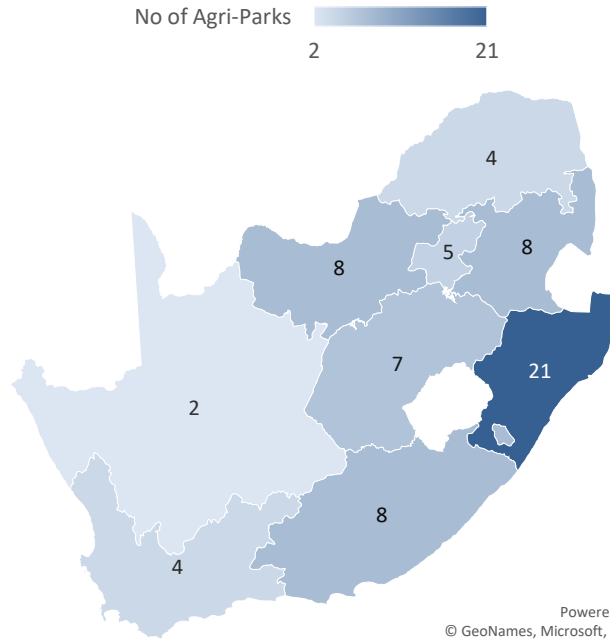
**02**



**Springbokpan FSPU in the North-West**



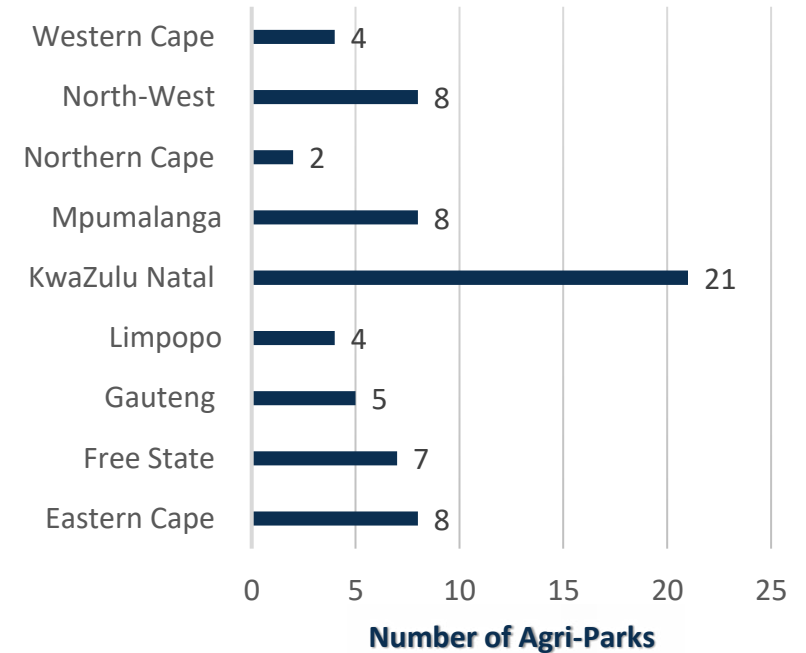
**Tshiame Agri-Hub in the Free State**



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National Department of Agriculture appointed Thuso-Enviro Capital as the service provider for the Agri-Hubs. Business cases and bankable feasibility studies are nearly complete and being prepared for IIRC presentation and appraisal.

### NATIONAL DISTRIBUTION OF AGRI-HUBS





# PROJECT RECEIVING PROJECT PREPARATION



### Marine Tilapia Industry Incubator (Pilot)

#### Part of 2023/24 Priority Projects

MTIIP project, led by the Eastern Cape Rural Development Agency (ECRDA) and supported by Thapi AquaKulcha, aims to establish a sustainable marine aquaculture sector using Mozambique tilapia (*Oreochromis mossambicus*) along South Africa's east coast. **The scope of is as follows:**

- Need to demonstrate market demand.
- Reconfiguration of the project and implementing a pilot to demonstrate market viability.
- Needing to align the funding requested with the repackaged project (pilot) and reapply for funding.

#### Progress/Status:

- The Feasibility Study has identified significant risks relating to market demand, technological uncertainty, and the financial viability of the Marine Tilapia Industry Incubator Project (MTIIP).
- At present, no funding support has been secured for the project. The immediate next step for the project sponsor is to secure financial backing from appropriate government or donor sources.

### EC Irrigation Schemes Programme

#### Part of 2023/24 Priority Projects

The schemes are spearheaded by DoA in EC, and through appointment, FarmInvest (Pty) Ltd is charged with conducting infrastructure condition assessments and development of upgrading proposals for ten irrigation sites in. These cover 9,416 hectares. The programme aims to enhance public and agricultural services, connect communities through road networks. Irrigation can help improve and stabilize agricultural productivity, thereby contributing to food security and resilience against climate change.

#### The scope of works comprised the following:

- Infrastructure conditional assessments of the BFI ready schemes (Engineering).
- Site Investigations (Natural Resource Assessment).
- Identification of necessary infrastructure upgrade.
- Implementation phase proposal.
- Assessment, recommendation and findings for each scheme; and
- Final consolidated report.

#### Progress/Status

- Ongoing, and on track – EOT.
- Project sponsor and provincial treasury are exploring funding mechanism to implement projects.



## KZN Agri-Hubs Sheep Anchor Feedlot

*Part of 2023/24 Priority Projects*

The KZN Department of Agriculture and Rural Development (KZN DARD) is implementing the Agri-Hubs Programme in KZN. An Agri-hub is a production infrastructure that links primary producers with formal markets. There are two types of infrastructure that constitute a Lamb and Mutton Agri-Hub, and they are:

- a) Abattoir (main Agri-hub infrastructure)
- b) Sheep anchor feedlots

### **Contracted Scope of Works**

- Undertake conditions assessments and specialist studies,
- Development of a detailed project feasibility study,
- Development of detailed designs and cost estimates,
- Development of a comprehensive business case and resource mobilisation plan for funding application
- Preparation of BFI submission to National Treasury for the 2025

### **Progress/Status**

- Project is on track, 55% of work completed and the resource mobilisation is currently underway.

## KZN Agri-Hubs Fresh Produce Collection Depot

*Part of 2023/24 Priority Projects*

The Fresh Produce Collection depots will handle vegetables and fruits. Its components include receiving and weighing, sorting, packaging, storage (ambient and cold), and dispatch sections. These collection depots are to be established in areas of production, whilst the main Agri-hubs infrastructure is being established closer to shipping ports and markets. There are two types of infrastructure that constitute an Agri-hubs, they are:

- a) Main Agri-hubs infrastructure, and
- b) Collection depots

### **Contracted Scope of Works**

- Undertake conditions assessments and specialist studies,
- Development of a detailed project feasibility study,
- Development of detailed designs and cost estimates,
- Prepare a comprehensive business case and resource mobilisation plan for funding application

### **Progress/Status**

- Project is on track, 55% of work completed and the resource mobilisation is currently underway.



# CONCLUSION



- ❑ It can be noted that over the years the Agriculture and Agro-Processing portfolio has shifted significantly and reconfigured to focus on key projects that will be in a better position to attract funding outside of the fiscus.
- ❑ SIP 11/23 cut across other sectors highlighting the interconnectedness and interdependent on other sectors especially transport and water.
- ❑ Even so, the portfolio demonstrates a strong alignment with South Africa's goals for inclusive rural development, agricultural transformation, and sustainable infrastructure investment.
- ❑ With some projects' feasibility studies nearing completion and other at various stages of implementation strategic partnerships in place, these initiatives are well-positioned to attract investment and transition into next project stages.
- ❑ Continued collaboration between government, private sector, and development finance institutions will be key to unlocking their full socio-economic impact.

# THANK YOU



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