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Infrastructure Finance in Africa

CCA Infrastructure Panel



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We all know the challenges...

- Lack of viable utilities – well managed service providers where service users are willing and able to pay for the service provided. But positive examples do exist – e.g. Johannesburg and Kampala.
- Lack of legal environment that ensures contracts are enforced and that revenue is secured to service the debt.
- Lack of sources of domestic term finance – plenty of liquidity, but almost all is short term.



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We are partnering with other aid providers

- Coordination with the AfDB
- Collaborating with other donors – e.g. USAID helping to complete a WB analysis of the legal and regulatory environment in East Africa to build the framework for financing infrastructure.



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- The infrastructure component of the Africa Global Competitiveness Initiative seeks to assist in development of bankable utilities.
- Working to build the capital markets needed to finance infrastructure:
 - US Securities and Exchange Commission training market regulators,
 - US Treasury supporting development of government debt markets.



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- Our Development Credit Authority will support market entry of municipal infrastructure finance through risk sharing.
- A program development tool that identifies the components needed for infrastructure finance is available.
- Need for active collaboration between aid agencies, national and local governments, and infrastructure service providers.