The GPSC Resource Team presents

The Peer Exchange Session
Johannesburg, South Africa

Liana Strydom
Assistant-Director: Development Planning
City of Johannesburg Metropolitan Municipality
Coordinator of Component 1: Eco-Districts
1. What are the financial instruments your city has been most successful using?

- **Bilateral loans** with the bank
- **Funding through Local and International Development Funding Institutions**
- Very successful in issuance of **general obligation bonds**
- Successful in issuance of a **green bond**
- **Utilisation of Export Credit Agency (ECA) Funding**
- **Credit Enhanced COJ02 Bond** through DBSA and IFC
• $42.3 million through Brazilian Export Credit Agency (ECA) BNDES at 3.2% over 11 years
2. What is the most innovative financing model your city is using / trying to use?

Augment on balance sheet funding through alternative sources of funding such as:

- Tax Increment Funding
- Land Based Financing
- Pooled Financing Mechanism
- Project Finance
3. What have been the greatest challenge to adapting this specific instrument?

- Legislative environment
- Limited project preparation capacity within the municipality to prepare project to a bankable status
- Restrictive international accounting standards that tend to classify off-balance sheet funding as on balance sheet funding
4. What solutions are you using to overcome these challenges?

• Partnering with international DFI’s to assist with project preparation and to steer projects towards bankability stage
• Exploring Credit Enhancement Solutions
• Exploring the use of revenue bonds
• Partnering with the private sector to implement key programs - alleviating balance sheet constraints