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Local
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for Sustainability

**10th Global Forum on
Urban Resilience & Adaptation**

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**Resilient
Cities** 2019
10th Anniversary

# The GPSC Resource Team

presents

The Peer Exchange Session

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# Johannesburg, South Africa

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City of Johannesburg Metropolitan Municipality
Coordinator of Component 1: Eco-Districts

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# 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 tends 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