The GPSC Resource Team presents The Peer Exchange Session
Johannesburg, South Africa

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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