

# DBSA OVERVIEW – IDDRI WEBINAR

10 DECEMBER 2020



# INTRODUCTION

*Preparing, financing and implementing sustainable infrastructure projects in Africa*



Founded  
**1983**  
DBSA  
Act 1997

Owned  
**100%**  
by SA  
Government

Total assets  
**R100bn**  
(~US\$6bn)  
Equity  
**R38bn**  
(~US\$2.3bn)

Externally  
rated

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DBSA foreign  
currency rating  
**Ba2**  
(Moody's)

Well  
governed

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Unqualified audits

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**A+** rating  
from AADFI PSGRS

Globally  
accredited

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Global Environmental  
Facility

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Green Climate Fund  
EU 6-pillar



# SECTORS

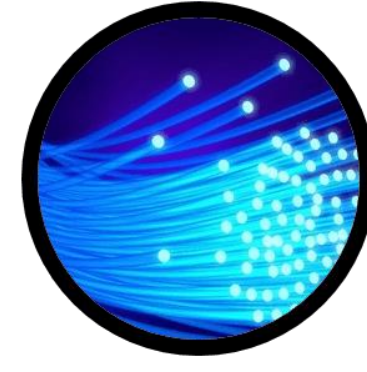
*Preparing, financing and implementing sustainable infrastructure projects in Africa*



TRANSPORT



ENERGY



ICT



WATER AND SANITATION



EDUCATION



HEALTH

# INTEGRATED APPROACH TO INFRASTRUCTURE DEVELOPMENT



## 1. Plan

- Municipal assessments
- Bulk infrastructure plans
- Infrastructure planning advice

## 2. Prepare

- Project identification
- Feasibility assessments
- Technical assistance
- Programme development
- Project preparation funds

## 3. Finance

- Long-term senior and subordinated debt
- Corporate and project finance
- Mezzanine finance
- Structured financing solutions

## 4. Build

- Managing design and construction of projects in education, health and housing sectors
- Project management support

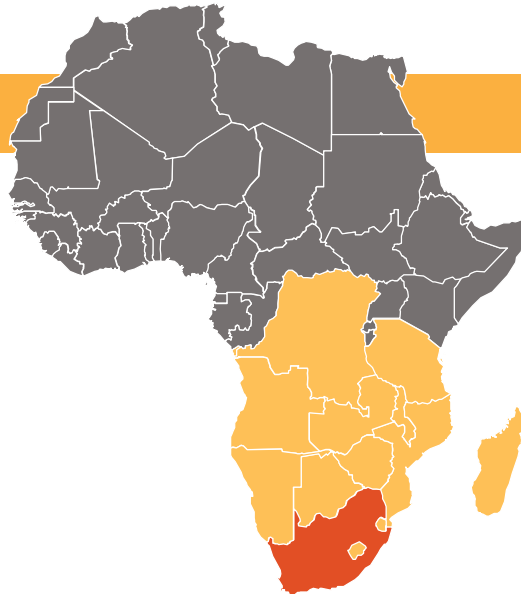
## 5. Maintain

- Supporting maintenance/improvement of social infrastructure projects

## Clients

### Public

- Municipalities
- SOEs
- Sovereigns



### Private

- PPPs
- Private sector

# ALIGNMENT TO NATIONAL, REGIONAL AND GLOBAL PLANS

## National



integrated resource plan

## Regional



Infrastructure Vision 2027

Regional Infrastructure Development Master Plan

## Global



PARIS2015  
UN CLIMATE CHANGE CONFERENCE  
COP21·CMP11



# ENERGY

*Advisory, investment and implementation support*

- Establishment of programmes and funds; financing individual projects
- Key role in developing market for IPPs through **Renewable Energy Independent Power Producers Programme (REIPPP)**
- Supporting the **Risk Mitigation IPP programme – 10 projects, R69Bn capex, 2GW**
- Established **Climate Finance Facility (CFF)** – co-funds private sector infrastructure projects and businesses through credit enhancement and tenor extension
- **Embedded Generation Investment Programme (EGIP)** – credit support facility to improve viability and bankability of projects



# KEY PROJECT: SOUTH AFRICA

*Renewable Energy Independent Power Producers Programme (REIPPP)*

DBSA

Key role as a funder

R17bn (US\$1.3bn)

on 33 projects

## Features

R2.5bn  
(US\$189m)  
funding  
support



for 9

**BEE  
Entities**

and 15



local  
community  
trusts

## Impact

- 80+ renewable energy projects delivered on in construction
- 5,000MW+ of renewable energy either feeding into grid or in construction
- Participation by black South Africans in project ownership





# KEY PROJECT: SOUTH AFRICA

*Renewable Energy Independent Power Producers Programme (REIPPP)*



## Role of DBSA and Lessons

- National DFI is uniquely placed to engage w/ local public and private sector stakeholders
  - DBSA reports to Finance Ministry and manages the IPP Office for Dept of Energy
  - Work closely w/ commercial banks, asset managers
- Ensure critical local requirements are taken into account in planning for energy transition (e.g. local ownership, industrialisation, regional development)
  - Funded both senior debt and equity for local participants





## Climate Finance Facility (CFF)

- Structured finance platform – initial committed funding R2bn (US\$150.9m)
- Co-funding with developmental and private sector institutions to achieve 1:5 leverage
- Projects in Common Monetary Area – credit enhancement products through blended finance

## Embedded Generation Investment Programme (EGIP)

- \$100m fund
- Credit support to improve viability and bankability of non-sovereign backed PPAs for renewable energy projects
- Plan to add 330MW (280MW solar PV and 50MW onshore wind) new capacity, directly avoiding emissions of 717 794 tCO<sub>2</sub>e pa

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