

ANNEX 4

Donor-backed PPP facilities

Project preparation facilities

Table A4.1 provides a summary of a selection of the key donor PPP project preparation facilities. The table focuses on facilities that support projects in the four main infrastructure sectors.

Key

Focus areas: 1. Enabling environment; 2. Project definition; 3. Project feasibility; 4. Project structuring; 5. Transaction support; 6. Post-implementation report.

Table A4.1. Project preparation facilities

Facility name	Description	Focus area						Hosted by	Product	Size	Sector	Geography
		1	2	3	4	5	6					
African Capacity Building Foundation http://www.acbf-pact.org/	Supports and develops implementation of policies encouraging efficient management of infrastructure	x	x	x	x	x	x	African Capacity Building Foundation	Grant	US\$1.5m- US\$4.0m	All sectors	SSA
African Catalytic Growth Fund http://www.worldbank.org/afr/ce/acgf/	Supports programmes in strong performing countries, those committed to reform and regional integration initiatives	x	x	x	x	x	x	World Bank	Grant	US\$15m- US\$50m	All sectors	SSA
African Water Facility http://www.afdb.org/awf/en/	Initiative to mobilise resources to finance water resources development activities	x	x	x	x	x	x	African Development Bank and African Ministers' Council on Water	Cost contribution	€50K- €5m	Water and sanitation only	Africa only
Asian Development Bank http://www.adb.org/	Provides project/programme preparatory technical assistance (PPTA) grants to help governments identify and prepare feasible projects	x	x	x	x	x	x	Asian Development Bank	Grant	Not available	All sectors	ADB member countries
City Development Initiative Asia http://cdia.asia/	Assists Asian cities to bridge the gap between city development plans and turning those plans into viable investments	x	x	x	x	x	x	ADB	Grants and Contributions specified	Not available	All Sectors	Asia and the Pacific (based on ADB members)

Table A4.1 (continued)

Facility name	Description	Focus area						Hosted by	Product	Size	Sector	Geography
		1	2	3	4	5	6					
DEVCO http://www.ifc.org/ifcext/psa.nsf/content/Devco	Supports transactions in the poorest nations to increase private sector involvement in infrastructure services	x	x	x	x		IFC	Grant	Approx US\$1m per project	All sectors	Poorest nations by DAC classification	
Development Bank of South Africa Development Fund http://www.dbsa.org/development%20fund/pages/default.aspx	Aims to address human, institutional and financial capacity constraints to rural and urban development	x	x				Development Bank of South Africa	Grant	Not available	Transport, and water and sanitation	South Africa	
FEMIP Support Fund http://www.eib.org/projects/regions/med/instruments/technical-assistance/support-fund/index.htm	Supports EIB investment activities in the southern Mediterranean countries, assisting promoters during different stages of the project cycle, including feasibility or pre-feasibility studies, project management units and site assessments	x	x	x	x	x	European Investment Bank	Grant	US\$5K- US\$5m	All sectors	FEMIP Mediterranean partner countries	
FEMIP Trust Fund http://www.eib.org/projects/regions/med/instruments/trust-fund/index.htm	Supports activities upstream of projects such as policy, legal, regulatory and institutional reform, sector development	x					European Investment Bank	Grant	Not specified	All sectors	FEMIP Mediterranean partner countries	

Table A4.1 (continued)

Facility name	Description	Focus area						Hosted by	Product	Size	Sector	Geography
		1	2	3	4	5	6					
Fund for African Private Sector Assistance http://www.afdb.org/en/topics-sectors/initiatives-partnerships/enhancing-private-sector-assistance-for-africa-epsa-initiative/	strategies, capacity-building and training Grants funding for technical assistance and capacity building for public and private the sector	x	x	x	x	x	African Investment Bank	Grant	Not usually expected to exceed US\$1m	All sectors	SSA and MENA	
Global Environment Facility http://www.gefweb.org/	Supports environmentally friendly projects through its trust fund, the Least Developed Countries Fund and the Special Climate Change Fund	x	x	x	x	x	United Nations Environment Programme	Grant	Wide-ranging from thousands of US\$ to over US\$100m	All sectors	Global	
Global Partnership for Output-Based Aid http://www.gpoba.org/	Increases access to basic infrastructure and services through output-based aid	x	x	x	x	x	World Bank	Grant	US\$25K- US\$0.5m	All sectors	Global	
IDB Project Preparation Facilities http://www.iadb.org/aboutus/ii/op_projectfacility.cfm?lang=en	Several facilities supporting project preparation, including the Project Preparation Facility and the Project Preparation and Execution Facility (PROPEF)	x	x	x	x	x	Inter-American Development Bank	Loan	Up to US\$5m per project	All sectors	LAC	

Table A4.1 (continued)

Facility name	Description	Focus area						Hosted by	Product	Size	Sector	Geography
		1	2	3	4	5	6					
IFC Advisory Services http://www.ifc.org/advisory	Assistance to national and municipal governments for structuring and implementing sustainable private sector participation in infrastructure and social infrastructure	x	x	x	x	x	IFC	Cost contribution	Not applicable	All sectors	Global	
IFC Municipal Fund http://www.ifc.org/municipalfund	Technical assistance to enhance capacity and creditworthiness for subnational public sector entities and project implementation assistance	x	x	x	x	x	IFC	Cost contribution	No set policy	All sectors	Global	
InfraCo http://www.infraco.com/	Privately managed infrastructure development company providing risk capital	x	x	x	x	x	PIDG	Infrastructure company		All sectors	Africa and Asia	
InfraVentures http://www.ifc.org/	Provides risk capital to fund the early stages of development of infrastructure projects to bring projects to the financing stage	x	x	x	x	x	IFC	Project development fund		All sectors	IDA countries	

Table A4.1 (continued)

Facility name	Description	Focus area						Hosted by	Product	Size	Sector	Geography
		1	2	3	4	5	6					
Islamic Development Bank Technical Assistance Facility http://www.isdb.org/	Assists preparation and implementation of projects and policies for development of institutions or human resources	x	x	x	x	x	x	Islamic Development Bank	Cost contribution	Public sector up to ID300K, private sector up to ID100K	All sectors	IDB countries
NEPAD IPPF http://www.nepad.org/	Assist preparation of high quality, viable regional infrastructure projects		x	x				African Development Bank	Cost contribution	US\$5K- US\$0.5m	All sectors	Africa
NEPAD PPFS http://www.dbsa.org/	Finance studies and project preparation activities in support of NEPAD projects	x	x	x	x			Development Bank of South Africa	Cost contribution	US\$5K- US\$0.3m	All sectors	Africa
Nigerian Technical Cooperation Fund http://www.dtca-ng.org/	Grants to assist development projects and programmes that benefit regional members of the African Development Bank	x	x	x	x	x	x	African Development Bank	Cost contribution	Annual limit of US\$2.5m	All sectors	AfDB member countries
PHRD Technical Assistance Grant Program http://www.worldbank.org/rmc/phrd/phrdbr2.htm	Technical assistance and grant activities for World Bank supported projects and programmes	x	x	x	x			World Bank	Grant	Not normally above US\$1m	All sectors	Global
PIDG Technical Assistance Fund http://www.pidg.org/	Builds local capacities and the ability of public and private sector clients	x	x	x	x	x	x	PIDG	Grant	US\$3m- US\$5m annual	All sectors	Global

Table A4.1 (continued)

Facility name	Description	Focus area						Product	Size	Sector	Geography
		1	2	3	4	5	6				
Public-private Infrastructure Advisory Facility (PPAIF) http://www.ppiaf.org/	to attract private capital to infrastructure financing Provides technical assistance to governments on strategies and measures to tap potential of private involvement in infrastructure, and identifies and disseminates best practices	x	x	x			World Bank	Grant	budget - likely to increase Up to US\$1m, but below US\$75K is encouraged	All sectors	DAC aid recipient countries
Slum Upgrading Facility http://www.unhabitat.org/content.asp?typeid=19&catid=293&cid=3130	Assistance and implementation of local housing and related projects to attract domestic commercial capital	x	x	x			UN-HABITAT	Grant	US\$2m- US\$3m per country	Transport, and water and sanitation	ACP countries
Sustainable Energy Finance Initiative (SEFI) Support Facility http://www.sefi.unep.org/	Advisory support for investment in sustainable energy projects	x	x	x			United Nations Environment Programme and Basle Agency for Sustainable Energy	Grant	US\$50K per financial institution for 5-10 project evaluations	Energy	North Africa
The Water and Sanitation Program http://www.wsp.org/	Gives impartial advice to governments on improving access to water and sanitation facilities	x	x	x	x	x	World Bank	Grant	Typically US\$5K- US\$0.35m but no limits	Water and sanitation	All except ECA

Infrastructure financing institutions and facilities

Table A4.2 provides brief profiles of infrastructure financing facilities provided by institutions such as multilateral and bilateral development banks and development finance institutions.

Table A4.2. Financing facilities

<i>Institution name</i>	<i>Product type</i>	<i>Geography</i>	<i>Sector</i>	<i>Investment size</i>	<i>Other details</i>
Actis www.act.is	Equity	Africa, China, Latin America, south and south-east Asia	All sectors (less preferred: ICT internet and water)	Minimum: US\$20m Maximum: US\$75-100m	Expected equity return of more than 14 per cent Minimum 50 per cent shareholding required Voting rights, board representation and protection against change of control in ownership required
Deutsche Investitions und Entwicklungsgesellschaft (DEG) www.deginvest.de	Equity	Developing countries	All sectors except oil and gas	Minimum: €5m Maximum: €20m	Minimum 5 per cent and maximum 49 per cent shareholding preferred Minority shareholding required Prefers not to be the largest shareholder Voting rights, board representation and protection against change of control in ownership preferred
The Netherlands Development Finance Company (FMO) www.fmo.nl	Debt	Developing countries	All sectors except oil and gas	Minimum: €10m Maximum: €25m	Maximum 30 per cent of total project €-denominated only, at market interest rates Untied Tenor: 4-15 years
	Equity	All World Bank members except high-income countries and EU states	All sectors	Maximum: €7.75m	Minority shareholding required
	Debt	All World Bank members except	All sectors	Minimum: €1-2m Maximum: €15-20m	Preferably in foreign currency, but local currency is permitted at market interest rates

Table A4.2 (continued)

<i>Institution name</i>	<i>Product type</i>	<i>Geography</i>	<i>Sector</i>	<i>Investment size</i>	<i>Other details</i>
		high-income countries and EU states			Untied Preferred tenor: 3–15 years Security in form of sovereign guarantee, recourse to sponsor, etc. is preferred
Globeleq www.globeleq.com	Equity	Africa, the Americas, Asia	Electricity (generation, transmission and distribution)	Minimum: US\$20m Maximum: US\$100m	Expected equity return: 15–20 per cent Minimum 51 per cent and maximum 100 per cent shareholding preferred Voting rights, board representation and protection against change of control in ownership required
International Finance Corporation (IFC) www.ifc.org	Equity	Developing countries that are IFC members	All sectors	Minimum: US\$1m (preferred)	Maximum 50 per cent of project (25 per cent if investing in company) Maximum 20 per cent shareholding preferred Minority shareholding required Prefers not to be the largest shareholder
	Debt	Developing countries that are IFC members	All sectors	Not applicable	Preferably in foreign currency but local currency is permitted, at market interest rates Tied Preferred tenor: 7–12 years Security in form of recourse to sponsor and other guarantees is preferred
Promotion et Participation pour la Coopération économique (PROPARCO) www.proparco.fr	Equity	All ODA recipient countries on the OECD's DAC list	All sectors (oil and gas not preferred) ¹	Required minimum and maximum: €0.5m and €10m Preferred minimum and maximum: €3m and €6m	Expected equity return: 10–20 per cent Minimum 5 per cent and maximum 20 per cent shareholding preferred Minority shareholding required Cannot be the largest shareholder Voting rights and protection against change of control in ownership required

Table A4.2 (continued)

<i>Institution name</i>	<i>Product type</i>	<i>Geography</i>	<i>Sector</i>	<i>Investment size</i>	<i>Other details</i>
	Debt	All ODA recipient countries on the OECD's DAC list	All sectors	Required minimum and maximum: €7m and €50m Preferred minimum and maximum: €10m and €20m	Preferably in € but other foreign currencies are permitted. Local currency is permitted if convertible/swap Interest rate: Libor/Euribor + (1-5%) Untied Preferred tenor: 5-15 years Security in form of guarantees is required
East African Development Bank (EADB) www.eadb.org	Equity	Burundi, Kenya, Rwanda, Tanzania and Uganda	All sectors	Not applicable	Maximum 25 per cent shareholding preferred Minority shareholding required
	Debt	Burundi, Kenya, Rwanda, Tanzania and Uganda	All sectors	Not applicable	Maximum 50 per cent of total project Foreign and local currency permitted, at market interest rates Untied Tenor: 5-12 years Security in form of guarantees is required
Emerging Africa Infrastructure Fund (EAIF) www.emergingafriafund.com	Debt	Sub-Saharan Africa	All sectors except oil and gas upstream (ICT (mobile) preferred)	Minimum: US\$10m Maximum: US\$30m	Foreign currency denominated Variable interest rates: Libor/Euribor + (3-6%) Untied Preferred tenor: 10-15 years Guarantees required (preferably sovereign guarantee or recourse to sponsor) Financial covenants: Maximum gearing of 2.3
Agence Française de Développement (AFD) www.afd.fr	Debt	Africa (excluding Libya), Middle East (excluding	All sectors	Not applicable	Preferably in foreign currency but local currency is permitted Untied

Table A4.2 (continued)

<i>Institution name</i>	<i>Product type</i>	<i>Geography</i>	<i>Sector</i>	<i>Investment size</i>	<i>Other details</i>
		Saudi Arabia, Oman, UAE), the Caribbean, Belize, Suriname, Guyana, French Guiana, Brazil, Pacific and Indian Ocean countries, Afghanistan, Pakistan, India, China, Thailand, Cambodia, Lao PDR, Vietnam, Indonesia, Papua New Guinea			Maximum tenor: 20–30 years Security in the form of sovereign guarantee or other guarantees is preferred
African Development Bank www.afdb.org	Equity	Africa	All sectors	Minimum: US\$3m	Maximum 25 per cent of total project Maximum 25 per cent shareholding Voting rights and board representation permitted
	Debt	Africa	All sectors	Not applicable	Maximum 33 per cent of total project US\$, €, £, JPY or ZAR-denominated, at market rates Tenor: 5–15 years Security in form of recourse to sponsor permitted, other guarantee preferred
Cotonou Investment Facility www.eib.org	Equity	Africa, Caribbean and Pacific	All sectors	Minimum: €5m (preferred) Maximum: €20m (preferred)	Required rate of return: 15 per cent (flexible, depending on industry and investment stage) Maximum 50 per cent of total project for direct investment, 25 per cent for fund investment

Table A4.2 (continued)

<i>Institution name</i>	<i>Product type</i>	<i>Geography</i>	<i>Sector</i>	<i>Investment size</i>	<i>Other details</i>
European Investment Bank (EIB) www.eib.org	Debt	Africa, Caribbean and Pacific	All sectors	Minimum: €5m (preferred)	Minimum 10 per cent and maximum 49 per cent shareholding preferred Minority shareholding required Voting rights and protection against change of control in ownership required Maximum 50 per cent of total project required Foreign and local currency permitted Interest rate: Libor/Euribor + (1-5%) Untied Preferred tenor: 5-25 years Security in form of sovereign guarantee preferred
	Equity	Asia, Latin America, Africa, Pacific, Caribbean, Mediterranean, Russia and eastern neighbourhood	All sectors	Minimum: €5m (preferred) Maximum: €20m (preferred)	Required rate of return: 15 per cent (flexible, depending on industry and investment stage) Maximum 50 per cent of total project for direct investment, 25 per cent for fund investment Minimum 10 per cent and maximum 49 per cent shareholding preferred Minority shareholding required Voting rights and protection against change of control in ownership required
	Debt	Asia, Latin America, Africa, Pacific, Caribbean, Mediterranean, Russia and eastern neighbourhood	All sectors	Minimum: €5m (preferred)	Maximum 50 per cent of total project required Foreign currency permitted Interest rate: Libor/Euribor + (1%-5%) Untied Preferred tenor: 5-25 years Security in form of sovereign guarantee required

Table A4.2 (continued)

<i>Institution name</i>	<i>Product type</i>	<i>Geography</i>	<i>Sector</i>	<i>Investment size</i>	<i>Other details</i>
Japan Bank for International Cooperation (JBIC) www.jbic.go.jp	Equity	Developing countries	All sectors	n/a	Maximum 25 per cent of total investment Cannot be the single largest Japanese shareholder
	Debt	Developing countries	All sectors (preferred: electricity and transport)	Preferential terms are applied for each income category	JPY denominated, at interest rate of 0.01–2.3 per cent Can be tied or untied Preferred tenor: 15–40 years Sovereign guarantee required
Asian Development Bank www.adb.org	Equity	Developing ADB member countries	All sectors (those supplying basic needs and services to wide segment of population are prioritised)	Maximum: US\$75m	Maximum 25 per cent of the total share capital Does not seek a controlling stake Voting rights required, reserves right for board representation
	Debt	Developing ADB member countries	All sectors (those supplying basic needs and services to wide segment of population are prioritised)	Maximum: US\$250m (US\$400m if guaranteed by an entity with credit rating of A– or better)	Maximum 25 per cent of total costs or assets (if costs/assets are more than US\$50m) Maximum 50 per cent of total costs or assets (if costs/assets are less than US\$50m) Maximum 70 per cent of costs or assets (if guaranteed by an entity with credit rating of A– or better) Foreign currency denominated only ² , at market rates Tenor: Up to 15 years

Table A4.2 (continued)

<i>Institution name</i>	<i>Product type</i>	<i>Geography</i>	<i>Sector</i>	<i>Investment size</i>	<i>Other details</i>
Inter-American Development Bank www.iadb.org	Debt	Borrowing member countries of IDB ³	All sectors	Maximum: US\$200m	US\$ or local currency denominated, at market rates Tenor: 5–15 years (may be extended to 30 years)
Overseas Private Investment Corporation (OPIC) www.opic.gov	Debt	Worldwide	All sectors	Minimum: US\$100,000 Maximum: US\$250m	Maximum 75 per cent of total investment Interest rate: Risk-free rate + (2–6%) Direct loans available only for projects sponsored by US small and medium enterprises Preferred debt-to-equity ratio in the range of 60:40 US company must have ownership interest of at least 25 per cent in the overseas investment Preferably more than 50 per cent of voting rights to be held by private sector Tenor: 3–15 years Security in form of guarantees is required

Key sources: Infrastructure Consortium for Africa and PPIAF, *Donor Debt and Equity Financing for Infrastructure: User Guide Africa (2007)*; various institution websites.

Guarantee facilities

Table A4.3 provides brief profiles of multilateral and bilateral guarantee facilities that are available for infrastructure financing.

Table A4.3. Multilateral and bilateral guarantee facilities

<i>Institution name</i>	<i>Instrument name</i>	<i>Instrument type</i>	<i>Eligible borrowers and projects</i>	<i>Eligible beneficiaries</i>	<i>Eligible forms of investment</i>
World Bank, International Bank for Reconstruction and Development (IBRD) and International Development Association (IDA) www.worldbank.org	IBRD Partial Risk Guarantee (PRG) IDA PRG IBRD Enclave PRG IBRD Partial Credit Guarantee (PCG) IBRD Policy-Based Guarantee (PBG)	Debt guarantee	New investments in a developing member country; ⁴ IBRD Enclave PRG: Foreign currency-earning projects in IDA-only countries PBG: sovereign for fiscal support PCG: sovereign/public borrowers for new investments ⁶	Private lenders ⁵	Debt (loans, bonds or other financial instruments with characteristics of commercial debt, including local currency debt)
International Finance Corporation (IFC) www.ifc.org	Partial Credit Guarantee (PCG)	Debt guarantee	Private sector projects in developing member countries; ⁷ new investments or a pool of new assets in developing member countries; ⁸ meet development objectives of the host country, technically, environmentally and socially sound	Private lenders	Debt (loans, bonds or other financial instruments with characteristics of commercial debt, including local currency debt)
Multilateral Investment Guarantee Agency (MIGA) www.miga.org	Investment Guarantee	Political risk insurance	New cross-border investments (originating in a MIGA member country, destined for any developing member country); meet development objectives	Entities operating on a commercial basis	Equity, shareholder loans, non-shareholder loans, ⁹ loan guarantees by shareholders, other instruments such as performance bonds,

Table A4.3 (continued)

<i>Institution name</i>	<i>Instrument name</i>	<i>Instrument type</i>	<i>Eligible borrowers and projects</i>	<i>Eligible beneficiaries</i>	<i>Eligible forms of investment</i>
African Development Bank (AfDB) www.afdb.org	Partial Risk Guarantee (PRG) Partial Credit Guarantee (PCG) Policy-Based Guarantee (PBG)	Debt guarantee	of the host country; technically, economically and financially viable, environmentally and socially sound Any public or private sector project eligible for AfDB financing; PBG eligibility is same as for policy-based loans; must meet AfDB environmental requirements	Private lenders	leases, franchising and licensing agreements. All investments must have a minimum tenor of three years Debt (loans, bonds, other financial instruments such as commercial paper, local currency debt included)
Asian Development Bank (ADB) www.adb.org	Political Risk Guarantee (PRG) Partial Credit Guarantee (PCG)	Debt guarantee	Greenfield and expansion projects that can be public or private sector operations (includes state-owned enterprises)	Lenders operating on a commercial basis (includes public and private insurers and re-insurers)	Loans, including commercial bank loans, loans by shareholders, loans guaranteed by shareholders, bond holders and other traded debt instruments
European Bank for Reconstruction and Development (EBRD) www.ebrd.com	Political Risk Guarantee (PRG) Trade Finance Facilitation Program (TFP) SME Guarantee Facility Municipal Finance Facility (MFF)	Debt guarantee	Financial sector strengthening, local capital market development, power, transport, waste water TFP: Trade finance transactions (state-owned entities precluded) SME: Loans and loan portfolios of local banks and leasing companies MFF: Municipal projects	Sub-sovereigns, approved financial institutions, private sector	Short- and medium-term loans, local and foreign currency bonds, letters of credit, local currency loans

Table A4.3 (continued)

<i>Institution name</i>	<i>Instrument name</i>	<i>Instrument type</i>	<i>Eligible borrowers and projects</i>	<i>Eligible beneficiaries</i>	<i>Eligible forms of investment</i>
Inter-American Development Bank (IDB) www.iadb.org	Political Risk Guarantee (PRG)	Debt guarantee	Non-sovereign guaranteed entities in borrowing member countries (transactions include greenfield and expansion projects); loans and re-financings for corporate borrowers and sub-sovereigns; capital markets Those eligible for PRG. In addition, sovereign and public borrowing TFPP: International trade activities	Private lenders	Loans, bonds (local and foreign currency, project and corporate bonds)
	Partial Credit Guarantee (PCG)				Loans, bonds (local and foreign currency, project and corporate bonds, asset backed securities, future flow or loan securitisations) TFPP: Letters of credit, promissory notes, etc.
	Trade Finance Facilitation Program (TFPP)				
European Investment Bank (EIB) ¹⁰ www.eib.org	Political risk carve-out on guarantees for EIB loans Comprehensive risk coverage instruments for ACP states and in the Mediterranean region	Political risk carve-out on guarantees to EIB (in ALA and ACP countries); credit enhancement guarantees by EIB; portfolio credit risk sharing with local banks	Borrowers in ACP states, certain countries in ALA, the Mediterranean countries	Private companies and institutions, or commercially run public institutions	Long- and medium-term debt (in foreign currency and in selected countries also in local currency), equity and guarantee instruments available in ACP and Mediterranean countries
GuarantCo www.guarantco.com	Variety of contingent products, including partial risk	Guarantee	Eligible countries: Low-income and lower-middle-income countries in Africa, Asia, Latin	Bearers or holders of the guaranteed debt instruments	Senior and subordinated or mezzanine debt, in local currency only

Table A4.3 (continued)

<i>Institution name</i>	<i>Instrument name</i>	<i>Instrument type</i>	<i>Eligible borrowers and projects</i>	<i>Eligible beneficiaries</i>	<i>Eligible forms of investment</i>
Agence Française de Développement (AFD) www.afd.fr	and partial credit guarantees, first loss guarantees, tenor extension or liquidity guarantees	Guarantee	and Central America, and the Caribbean ¹¹ Eligible borrowers: Private, municipal and parastatal infrastructure companies Eligible sectors: Energy supply, water and sanitation, transport, telecoms, urban infrastructure, mining Eligible projects: Construction of new facilities or expansion/refurbishment of existing ones. Must adhere to environmental, social and health standards	(including trustees, financial institutions, insurers, commercial banks, mortgage lenders/insurers, micro-finance institutions (MIs))	Debt, equity, bond issues
	Political risk coverage		Infrastructure, urban and rural development, rural environment, health, education, local financial market development, in AFD-qualified countries	Lenders, private sector companies	
	Comprehensive risk coverage		Private companies and micro-finance institutions in AFD-qualified countries; medium- and long-term loans to private companies and MIs; credit lines for MIs; private housing, small retail businesses, weapons, gambling, tobacco and alcohol activities excluded		Debt (not working capital)

Table A4.3 (continued)

<i>Institution name</i>	<i>Instrument name</i>	<i>Instrument type</i>	<i>Eligible borrowers and projects</i>	<i>Eligible beneficiaries</i>	<i>Eligible forms of investment</i>
Deutsche Investitions und Entwicklungsgesellschaft (DEG) www.deginvest.de	Partial and full credit guarantees	Guarantee	Agribusiness, financial sector, infrastructure, manufacturing; eligible borrowers are private sector financial institutions and private sector companies	Private financial institutions	Debt
Promotion et Participation pour la Coopération économique (PROPARCO) www.proparco.fr	Guarantees	Bond, loan and liquidity guarantees	Private sector borrowers	Lenders	Bonds, loans (foreign currency and local currency denominated), mutual funds, investment funds, local savings mobilisation funds
Japan Bank for International Cooperation (JBIC) www.jbic.go.jp	Political Risk Guarantee (PRG)	Debt guarantee	Private entities; projects supporting economic activities of Japanese companies; projects with JBIC loan participation under co-financing and projects without JBIC loan participation	Private financial institutions (nationals of Japan or Japanese branches of foreign financial institutions); sovereign, public, and private entities (for bond guarantees)	Loans and bonds
The Netherlands Development Finance Company (FMO) www.fmo.nl	Comprehensive Guarantee (CG) Credit Guarantees Partial Credit Guarantees	Guarantee	Same as PRG; in addition, sovereign and public entities Commercial businesses in developing countries operating in agriculture, fisheries, mining, agribusiness, manufacturing,	Private sector companies and financial institutions in developing	Loans and bonds (includes local currency bond) Trade facilities and letters of credit, commercial paper, capital market transactions (bonds, securitisations). In

Table A4.3 (continued)

<i>Institution name</i>	<i>Instrument name</i>	<i>Instrument type</i>	<i>Eligible borrowers and projects</i>	<i>Eligible beneficiaries</i>	<i>Eligible forms of investment</i>
United States Agency for International Development's (USAID's) Development Credit Authority (DCA) www.usaid.gov	Partial credit guarantees	Debt guarantee	service sector (including utilities), and banking and insurance Private sector enterprises, sub-sovereign entities; projects must meet local USAID development goals and must not be tied to US export transactions or to US companies; support guaranteed for projects in SME, democracy and governance, natural resource management, agriculture, infrastructure, energy, education and health	countries Non-sovereign financial institutions (foreign or local), local capital market participants and investors	addition to US\$ and €, local currency transactions can be guaranteed under special conditions Debt, loans, leases, bonds, letters of credit or other debt instruments issued by local financial institutions and private sector lenders (denominated in US\$ or local currency)
Overseas Private Investment Corporation (OPIC) www.opic.gov	Political Risk Insurance (PRI)	Insurance	New investments, privatisations, expansion and modernisation of existing plants	US corporations that are more than 50 per cent owned by US citizens; foreign corporations that are more than 95 per cent owned by eligible investors; other foreign entities that are 100 per cent US owned	Debt, equity, capital and operating leases, contractors and exporter exposures

Table A4.3 (continued)

<i>Institution name</i>	<i>Instrument name</i>	<i>Instrument type</i>	<i>Eligible borrowers and projects</i>	<i>Eligible beneficiaries</i>	<i>Eligible forms of investment</i>
	Loan guarantees	Loan guarantee	Commercially and financially sound projects in which management has a significant financial risk	Same as above. OPIC expects US investors to own at least 25 per cent of the equity of the project	Loans, guarantees (parent company and third-party loans)

Key sources: Matsukawa, Tomoko and Odo Habeck, *Review of Risk Mitigation Instruments for Infrastructure Financing and Recent Trends and Developments*, World Bank (2007); various institution websites

Notes

1. Applies to Africa, the Caribbean, Pacific and Indian Ocean islands, Mediterranean countries, Afghanistan, Bangladesh, Cambodia, China, India, Indonesia, Jordan, Lao PDR, Mongolia, Nepal, Pakistan, the Philippines, Sri Lanka, Thailand, Vietnam and Yemen. In other ODA recipient countries, activity is restricted to combating climate change, agro-industry and food security, social sectors (health, education), micro-finance and activities to support French interests.
2. Local currency financing may be available for selected developing member countries.
3. Argentina, The Bahamas, Barbados, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Suriname, Trinidad and Tobago, Uruguay and Venezuela.
4. Investments must be in compliance with the World Bank's country assistance strategy for each country; technically, economically and financially viable; and environmentally and socially sound.
5. This includes publicly-owned autonomous financial institutions that are established and operate under commercial law for the purpose of pursuing profit.
6. Private entities could be considered.
7. Except at World Bank/IFC Municipal Fund, which assists subnational public sector entities
8. Existing assets may be eligible for risk-sharing facilities or securitisation support.
9. Provided that an equity or quasi-equity investment in the same project is or has been insured by MIGA.
10. Only covers the instruments that are available to non-EU countries, i.e. to ACP, ALA and Mediterranean region countries.
11. As listed in columns I (least developed countries), II (other low-income countries) and III (lower-middle-income countries and territories) of the OECD's *DAC List of ODA Recipients*.