



U.S. Treasury and USAID Collaboration with Infrastructure Consortium for Africa

Tackling the Problems of Private Investment
in African Power

U.S. Treasury – ICA – USAID

- ▶ Collaboration goals:
 - Identifying problems in attracting private sector investment in the power sector.
 - Engaging both private and public sector in dialogue.
 - Finding targeted solutions to specific problems.
 - Finding sustainable solutions that can be used by other partners.
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U.S. Treasury – ICA

- ▶ Inaugural meeting in October 2008 at the U.S. Department of the Treasury.
 - Key issues : government capacity, political will, project finance process, financial crisis.
- ▶ Second meeting in May 2009 at the AfDB Annual Meeting in Dakar, Senegal.
 - Key issues: emergency financing, understanding PPPs, streamlining PPP process.

U.S. Treasury – ICA – USAID

- ▶ “Virtual Working Group”
 - One idea coming out of the symposia was to have a working group to carry on these issues.
 - Treasury, USAID and ICA teamed up with World Bank’s Global Development Learning Network (GDLN) to hold series of video–conferences – the “Virtual Working Group.”
 - ICA and USAID financial sponsors.
 - Large group of participants representing all facets of public–private partnerships in the African power sector.

U.S. Treasury – ICA – USAID Virtual Working Group

- ▶ Held the third session on October 29.
- ▶ Have had some very useful conversations, including a series of case studies that highlighted successful IPPs:
 - ContourGlobal’s Togo plant
 - Aldwych’s Rabai plant in Kenya
- ▶ Plan to continue discussion series, with the next session in January.
- ▶ Looking for outcomes that build on previous symposia.
- ▶ ICA has begun conducting a stock-taking exercise on infrastructure-related technical assistance in the five countries that originally participated .
- ▶ Also working on the concept of “key principles” for project finance.

U.S. Treasury – ICA – USAID

- ▶ Treasury values the collaboration with ICA and USAID.
 - ▶ Feedback has been very positive on this effort to bring together private and public sector.
 - ▶ We want to continue this work and find ways to capture the value of this dialogue.
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