Understanding the channels to help cities access green bond market flows

Source: Bloomberg, CBI, CPI analysis. Data as of May 31 2016 covers green bonds issued since 2007
Water Financing Facility

Overview
Issue local currency bonds to institutional investors to finance long-term, lower cost loans to water service providers

Key features
• County governments responsible for water and sanitation service provision but cannot raise debt
• Water Service Providers (WSPs) are owned by county governments, but autonomous companies, with ability to ring-fence revenues.
• Q4 2017 bond issue against USD46m KES equivalent portfolio with 4 WSPs
• EUR10 million grant from Government of Netherlands for Water Financing Facility for 8-10 countries

Details
Cycle: 2015 - 2016
Type: Adaptation
Sector: Water
Stage: Pilot Ready
Status: Endorsed
Goal: Mobilize large-scale domestic private finance resources in climate-resilient water infrastructure.
Geography: For pilot phase: Kenya In the future: Indonesia, South Africa, Vietnam
Implementing Entities: Cardano Development Services
Private Finance Target: Domestic institutional investors