



Finance  
in Common



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# INFRASTRUCTURE FINANCING, AND THE IMPORTANCE OF PUBLIC-PRIVATE PARTNERSHIPS

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## GREEN INFRASTRUCTURE TO ACHIEVE ~~SDGs~~ **TSIEGs**

- Even before the multifaceted crises, the implementation of the 2030 Agenda for Sustainable Development **depends on the effective and systemic mobilization of financial actors** committed to an inclusive and sustainable recovery.
- Although infrastructures are vital for all populations' livelihood, they also represent **60% of global CO2 emission**.
- This context pushes us to find solutions to mobilize a much larger share of available financial resources to fund sustainable infrastructure.
- Among AFD Group's total effort of 7bn EUR / year to contribute to the financing of sustainable infrastructure, lines of credit to public and private financial institutions, through AFD and PROPARCO.
- These infrastructure investments have 87% climate co-benefits, and contributes up to 68% to gender equality.



## PUBLIC-PRIVATE PARTNERSHIPS WHY ARE THEY USEFUL?

1. **Involvement of private sector entities:** By leveraging private sector expertise, technology, and funding, PPPs can bridge the infrastructure investment gap and support the implementation of sustainable projects.
2. **Risk Sharing:** PPPs distributes risks and responsibilities between public and private entities. Infrastructure projects often involve long-term commitments, financial risks, and uncertainties.. This risk-sharing mechanism minimizes the burden on public budgets.
3. **Efficiency and innovation:** Private sector participation in PPPs brings efficiency gains and encourages innovation.
4. **Transfer of expertise:** Collaboration with private sector entities enables the transfer of expertise and knowledge to the public sector. Governments can learn from the private sector's efficiency measures, project management techniques, and technological advancements.

## FINANCE IN COMMON: A MOVEMENT TO HELP PUBLIC DEVELOPMENT BANKS BECOME ACTORS OF CHANGE AND IMPLEMENTERS OF THE SDGS AND THE PARIS AGREEMENT GOALS



**528 PDBs**  
in 2022



**\$23 TRILLION**  
Total Assets.

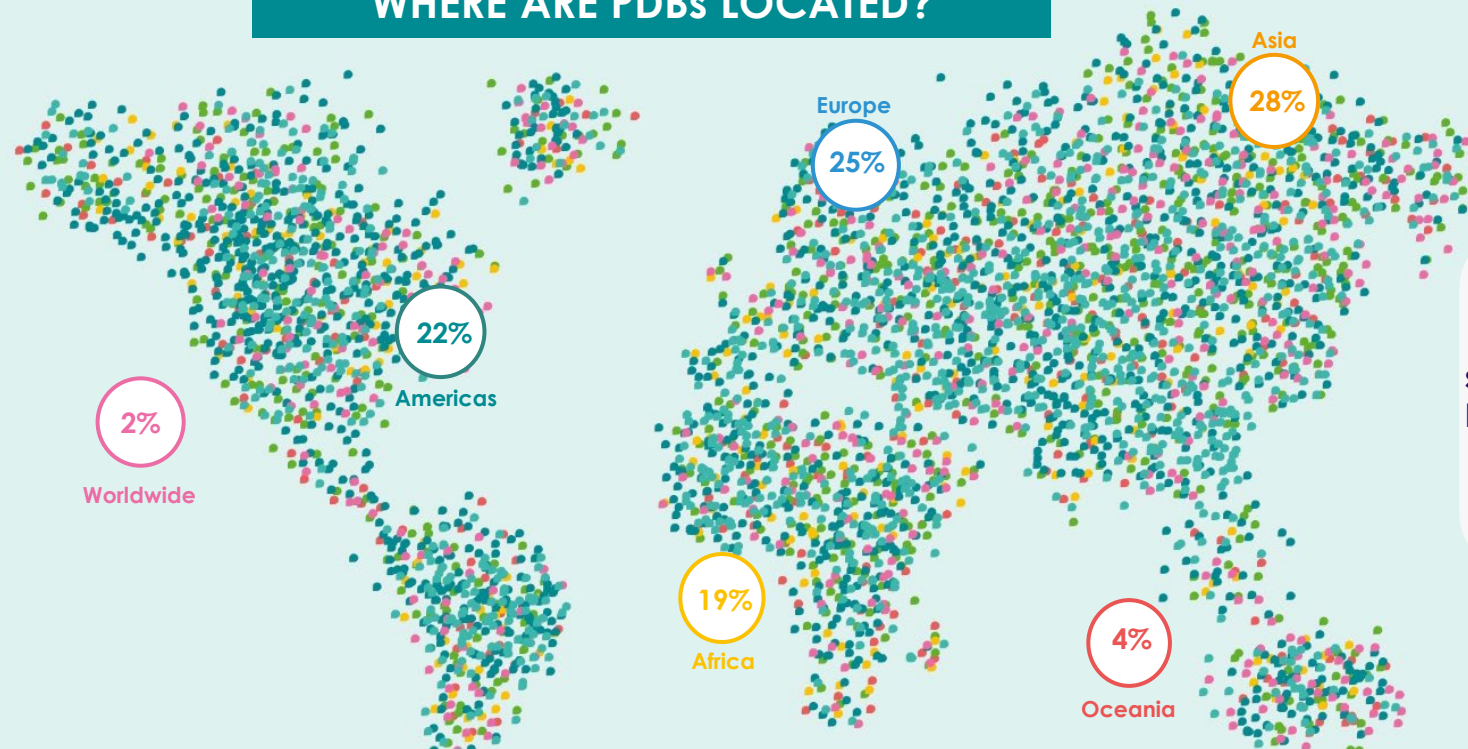


**10-12%** (est. \$2.5 TR)  
Annual financing as a %  
of total world investment.



**154+**  
Countries and  
Economies.  
(more than 80% of total  
assets in G20 countries)

### WHERE ARE PDBs LOCATED?



**90% of these PDBs are either national or subnational development banks, and the remaining 10% operate internationally.**

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4-6 SEPTEMBER 2023

Building  
new alliances  
for the next  
generation of  
development  
financing

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## PROMOTED BY



BANCOLDEX



ALIDE



## 4 MAIN PILLARS

1. SMES &  
FINANCIAL  
INCLUSION

2. CLIMATE &  
BIODIVERSITY

3. GREEN  
INFRASTRUCTURE

4. PDBS  
INSTITUTIONAL  
AGENDA

## 4 CROSS CUTTING ISSUES

1. Social mainstreaming and developmental impact
2. Private capital mobilization towards SDG goals
3. PDBs collaboration with civil society
4. Latin America and Caribbean perspective

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Thank you very much!