Continental Business Network (CBN): Framework and Milestones

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Economic Integration, AU-NEPAD
After Dakar Summit in the Infrastructure financing, AUDA-NEPAD was assigned by African Heads of States to suggest a mechanism to resolve some list of problems related to the infrastructure projects financing, such as the weakness of the: project preparation, private sector engagement, capacity building at Member States level, coordination and resource mobilisation in infrastructure sector.

CBN was launched in Cape Town and to resolve the infrastructure project preparation and the private sector engagement to the infrastructure financing, respectively

CBN was endorsed by the General Assembly of the African Heads of States. CBN vision and missions were defined

Diagnostic of CBN framework
CBN: Mission, Vision, Objectives

CBN Vision
To bridge the infrastructure financing gap in Africa enhancing the livelihood of Africans

CBN Mission
The CBN is a public-private partnership platform to engage private sector expertise and financing for infrastructure development

CBN Objectives
1. Improve Infrastructure Policy and Regulatory Environment to Facilitate Finance
2. Market sound and champion bankable and investable infrastructure projects to increase funding and improve infrastructure access
3. Analyse data and formulate intelligence to provide advocacy for emerging infrastructure trends, opportunities and challenges
<table>
<thead>
<tr>
<th></th>
<th>CBN Functional areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Project Pipeline Market Place</td>
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<tr>
<td>1.</td>
<td>Advocacy &amp; Public-Private Sector Liaison</td>
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<td>1.</td>
<td>Intelligence and Insight Development</td>
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<td>1.</td>
<td>Dialogue &amp; Member Interaction</td>
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</table>
• Capital base of African institutional investors is large whilst very few invest in African infrastructure projects

• CBN suggested **5% Agenda** to increase investment by African Pension and Sovereign Wealth Funds

• aim: increase current level of 1.5% to 5% investment in African infrastructure by African institutional investors

• **African Infrastructure Guarantee Mechanism** (AIGM) born out of CBN 5% Agenda

• AIGM risk mitigation to increase institutional investor confidence to finance African infrastructure projects

• AIGM included in AfDB Co-Guarantee Platform to serve as infrastructure window

CBN Role:
Policy & Regulatory as well as Advocacy
CBN Milestones

- **CBN market packaged** Congo Bridge project presented to CBN and other investors

- Value proposition of CBN market sounding, packaging and championing

CBN Role:
Project focussed: sounding and championing for market take
## CBN Projects Pipeline

### Criteria for project category

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Category</th>
<th>Financial model</th>
<th>Bankability</th>
<th>Soundness</th>
<th>Project Revenue</th>
<th>Available Studies</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1-Energy (East Africa)</td>
<td>A</td>
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<tr>
<td>P2-Energy (East Africa)</td>
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<tr>
<td>P3-ICT (West Africa)</td>
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<td>P3-Road 9 (East Africa)</td>
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<td>P4 Road/Rail (Central Africa)</td>
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<td>P5-Port (East Africa)</td>
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<td>P6-Water (West Africa)</td>
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<tr>
<td>P8-ICT (West Africa)</td>
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<td>P9-Transport (West Africa)</td>
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### Timeliness

<table>
<thead>
<tr>
<th>Timeliness for CBN Services</th>
<th>Attractiveness for Additional Stakeholders</th>
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<tbody>
<tr>
<td>Similar projects</td>
<td>✔️</td>
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<tr>
<td>PPP framework</td>
<td>✔️</td>
</tr>
<tr>
<td>Political Stability</td>
<td>✗</td>
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<tr>
<td>Political Support</td>
<td>✔️</td>
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<tr>
<td>PCI</td>
<td>✗</td>
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<tr>
<td>Non-Dependency</td>
<td>✔️</td>
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</tbody>
</table>

### Example

P1-Energy (East Africa)

- **Category:** A
- **Financial model:** 🟢
- **Bankability:** 🟢
- **Soundness:** 🟢
- **Project Revenue:** 🟢
- **Available Studies:** 🟢

P2-Energy (East Africa)

- **Category:** A
- **Financial model:** 🟢
- **Bankability:** 🟢
- **Soundness:** 🟢
- **Project Revenue:** 🟢
- **Available Studies:** 🟢

P3-ICT (West Africa)

- **Category:** A
- **Financial model:** 🟢
- **Bankability:** 🟢
- **Soundness:** 🟢
- **Project Revenue:** 🟢
- **Available Studies:** 🟢

P3-Road 9 (East Africa)

- **Category:** A
- **Financial model:** 🟢
- **Bankability:** 🟢
- **Soundness:** 🟢
- **Project Revenue:** 🟢
- **Available Studies:** 🟢

P4 Road/Rail (Central Africa)

- **Category:** A
- **Financial model:** 🟢
- **Bankability:** 🟢
- **Soundness:** 🟢
- **Project Revenue:** 🟢
- **Available Studies:** 🟢

P5-Port (East Africa)

- **Category:** B
- **Financial model:** 🟢
- **Bankability:** 🟢
- **Soundness:** 🟢
- **Project Revenue:** 🟢
- **Available Studies:** 🟢

P6-Water (West Africa)

- **Category:** B
- **Financial model:** 🟢
- **Bankability:** 🟢
- **Soundness:** 🟢
- **Project Revenue:** 🟢
- **Available Studies:** 🟢

P7-Multimodal (Central Africa)

- **Category:** B
- **Financial model:** 🟢
- **Bankability:** 🟢
- **Soundness:** 🟢
- **Project Revenue:** 🟢
- **Available Studies:** 🟢

P8-Rail (Southern Africa)

- **Category:** B
- **Financial model:** 🟢
- **Bankability:** 🟢
- **Soundness:** 🟢
- **Project Revenue:** 🟢
- **Available Studies:** 🟢

P8-ICT (West Africa)

- **Category:** C
- **Financial model:** 🟢
- **Bankability:** 🟢
- **Soundness:** 🟢
- **Project Revenue:** 🟢
- **Available Studies:** 🟢

P9-Transport (West Africa)

- **Category:** C
- **Financial model:** 🟢
- **Bankability:** 🟢
- **Soundness:** 🟢
- **Project Revenue:** 🟢
- **Available Studies:** 🟢
Thank you

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