

State Secretariat for Economic Affairs (SECO)
Economic Development Cooperation

Infrastructure Financing

Planned Projects

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1. Energy Sector

1.1 GUS and Western Balkans

Albania: Smart Energy Municipalities Project (SEMP)

The Smart Energy Municipalities Project (SEMP) addresses key gaps in the Albanian energy sector towards efficient consumption and sustainable energy supply. Inspired by the European Energy Award, it will pilot and introduce an Albanian energy management framework for municipalities, facilitate access to finance and strengthen key institutions. Despite gradual improvements, the Albanian energy sector still faces several challenges in supply and efficient use of energy. While the legal framework is steadily improving, implementation is lagging. Key player for the implementation of energy policy toward sound energy management are the municipalities, which are currently not in the position to implement the Albanian energy legislation. The SEMP comes at the right time. The continuing reform momentum and the high level of government commitment provide fertile ground for an ambitious project aimed at establishing a new framework for policy implementation.

Sector: Energy Sector; Energy Efficiency and Renewable Energies
Total budget: CHF 5.93 million
Contribution: CHF 5.3 million
Duration: 2021-2025
Partner: Ministry of Infrastructure and Energy

Serbia: Renewable District Energy in the Western Balkans Programme (Serbia)

The ReDEWeB program aims to increase the investment in renewable district energy systems in the Western Balkans and to enable both public and private actors to deliver sustainable investments into renewable district energy. In a first phase, the support of SECO is focused on Serbia. While the program would be open for all renewable energy technologies, some technologies have more potential for large district heating systems. These are in particular solar thermal energy as well as heat pumps and waste heat (utilising heat from wastewater treatment facilities or waste incineration plants and the surplus heat from the industrial processes). The program also contains activities related to governance, skills development and policy dialogue.

Sector: Energy Sector; Renewable Energy
Total budget: approx. EUR 70 Mio.
Contribution: EUR 8.5 Mio.
Duration: 2021-2025
Partner: European Bank for Reconstruction and Development (EBRD)

1.2 Africa, Asia, Latin America

Ghana: Solar PV based net metering with battery storage (SREP)

The Project, which is part of the SREP (Scaling-Up Renewable Energy Program) Investment Plan for Ghana, aims at scaling-up solar PV based net-metering in all major distribution networks of Ghana (i.e. ECG, NEDCO and possibly Enclave Power). It is expected to directly add 25-30 MW of renewable energy generation capacity to the energy infrastructure of Ghana, producing about 37 GWh/y and providing improved access to clean energy to 15'000 SMEs, public institutions and households.

The project will be implemented by the African Development Bank with co-financing expected from the African Development Fund [USD 15 million], the Government of Ghana [USD 8 million] and possibly other development partners. Substantial additional funding is expected to be mobilized from the private sector in Ghana. SECO is considering to contribute up to USD 12.5 million to this project, as well as up to USD 1.5 million for additional technical assistance related to the utility scale (wind/solar) component of the SREP Investment Plan. The SECO contribution could be in addition or in substitution of a planned contribution of the SREP [USD 12.5 million], depending on the latter's availability of funds.

The Project is highly relevant to push Ghana's agenda of scaling-up renewable energy in the electricity sector and to achieve an essential transformative impact towards decarbonization, decentralization and digitalization. It will also contribute to further stabilize the power distribution utilities in Ghana, which SECO has been supporting for many years through the Ghana Energy Development and Access Project (GEDAP). Finally, the Project is expected to have a high profile demonstration character in Ghana and beyond.

Sector:	Energy Sector / Renewable Energy
Total budget:	USD 97 million
Contribution:	USD 14 million
Duration:	2021-2024
Partner:	African Development Bank (African Development Fund), Strategic Climate Fund (SREP), Ministry of Energy (Ghana)

Egypt: Renewable energy production in WWTP

Water resources in Egypt are of critical importance and, despite large efforts to protect them, water remains nevertheless scarce and of poor quality. Egypt is mainly dependent on the Nile River for water and its annual quota is insufficient to meet the growing needs of the population. The country is already facing serious water deficit and is among the ten countries threatened by water scarcity by 2025. Since the 1970s Egypt expanded its wastewater management network and over 420 wastewater treatment plants (WWTPs) have been built throughout the country serving more than 56% of the population (status 2018). However, surface water quality remain poor due mainly to: i) limited resources and capacities to comply with the strict water quality standards for treated wastewater discharges (Law 48/1982 for Protection of Nile River); ii) pollution coming from untreated

sewage; iii) lack of proper management of wastewater treatment by-products, in particular the sludge, eventually reaching the drains. Finally, poor water quality has a direct impact on the activities, performance and further development of the private sector. While the large majority of the water use in Egypt (86%) is for agriculture purpose, the industry needs nearly as much water (6 % or 4 km³/yr) as the domestic sector (8%).

The project proposes to introduce a new sludge management in a major WWTP of a secondary city (potentially Beni Suef, 427'000 inhabitants connected to the WWTP). The project will introduce the production of biogas and electricity, as well as the reuse of the sludge remaining after biogas production as fuel for the cement industry and fertilizer in the agriculture.

Sector:	Renewable Energy / Waste Water
Total budget:	CHF 9 million
Contribution:	CHF 9 million
Duration:	2021-2025
Partner:	National Holding Company for Water and Wastewater; Affiliated Company

1.3 Global



2. Water / Waste Water and Waste Sector

2.1 GUS and Western Balkans

Solid Waste Management (SWM) Program, Polog, North Macedonia, phase II

SECO SWM project in the Polog region phase 1, supports the elaboration of a regional Waste Management Plans (WMPs) for the nine municipalities of Polog, quick-win investments based on the municipal WMPs, preparatory works to refurbish the regional landfill in Rusino and the establishment of the organisational and financial set up for the sustainable management of the regional landfill. Phase II will finance the sanitisation of the Rusino landfill, the improvement of waste management services in selected municipalities and some capacity building and public awareness.

Sector:	Solid waste
Amount:	aprox. CHF 6 million
Duration:	2020-2024
Partner:	tbd

2.2 Africa, Asia, Latin America

South Africa: Local Economic Development (LED) Program; Infrastructure Investment Component

SECO has started a Local Economic Development (LED) programme in Ilembe District in 2013. The concept for this programme is based on the idea of adding value by combining the four SECO/WE business lines in support of LED at subnational level in a delimited geographical area where SECO's limited funds can make an impact after having analysed the needs of the local government context to fulfil their mandate. The underlying argument of designing such a programme is that local governments have to perform the following key tasks to foster LED: 1) provide social services, 2) provide infrastructure services, 3) provide a transparent and predictable regulatory, and tax environment which will in return foster local economic development. With these framework conditions in place, local business can develop and create jobs, provided, in turn 1) there are entrepreneurs, 2) they have access to finance and 3) they have a product to source to domestic and world markets. A scoping study has been launched in order to identify an infrastructure investment component in addition to the already identified Technical Assistance activities. Currently details for a support program on non-revenue water is being designed.

Sector: Water
Amount: CHF 3 million (for Infrastructure Investment Component,)
Duration: 2020-2025
Partner: Ilembe District

South Africa: First Loss Facility for INCA Infrastructure Debt Fund

The **overall goal** of the INCA INFRASTRUCTURE DEBT FUND (IDF) is to finance municipal infrastructure with a high development impact by mobilizing long-term resources from institutional investors seeking to develop a responsible investment portfolio. The project has therefore **two main objectives:** (i) *improve urban infrastructure provision in secondary cities via a responsible investment policy, with priority given to pro-poor essential urban services;* (ii) *to achieve this, contribute to the diversification of the municipal finance sector in South Africa by creating a new window for secondary cities, and mobilizing long-term financing from institutional investors and thus support local capital market development.* SECO is considering to participate in a credit enhancement facility, a first loss buffer, to support the leveraging of the funds from the institutional investors. Further, SECO is planning to support specific targeted technical assistance activities in order to support the municipalities to benefit from the fund and thus implement sustainable infrastructure projects successfully.

Sector: Multi-Sector Municipal Infrastructure
Amount: CHF 6.9 million
Duration: 2020-2040

Partner: INCA Portfolio Manager and Agence française de développement

Indonesia: Waste Water Collection and Treatment in Bogor

As a result of population growth, fast urbanization and slow policy reaction, Indonesia's coverage of safe waste water management services and improved facilities is low in regional comparison. The government has meanwhile placed universal access to sanitation amongst the country's top priorities. Within this scope, Indonesia's Ministry of Public Works and the Agence française de développement prepare the development of a sewerage system in Bogor, an economic and tourist center within the wider Jakarta metropolitan area. While the loan is to finance the backbone of a sewerage system and a waste water treatment plant, SECO plans to support capacity development and sensitization to foster efficient and financially viable collection and treatment services.

Sector: Waste Water
Total budget: USD 80 million
Contribution: USD 5 million
Duration: 2021-2025
Partner: Agence française de développement, Ministry of Public Works

2.3 Global



3. Public Transport Sector

3.1 GUS and Western Balkans



3.2 Africa, Asia, Latin America



3.3 Global



4. Integrated Urban Development

4.1 GUS and Western Balkans

Bosnia and Herzegovina: Urban Transformation Project Sarajevo

The Urban Transformation Project Sarajevo builds on the past activities of ETH's urban Think Tank in Sarajevo (financed by Switzerland through small actions), which ignited the city's motivation to improve its urban planning. This is an interesting momentum for SECO's first urban development project in the Western Balkan region. The main objective of the project is the improvement of the urban planning capacities of the authorities in Sarajevo including the sustainable implementation of the General Urban Plan 2040 for the Canton of Sarajevo. The project shall become an illustrating example for sustainable and integrated urban development. The project is conceived as a multi-faceted four-year intervention and foresees strong participation of the citizens of Sarajevo. The four project components City Action Lab; Digital Tool; Design of the reactivated historical museum and capacity building will mutually reinforce each other.

Sector: Urban Development
Amount: approx. CHF 4 million
Duration: 2020-2024
Partner: City of Sarajevo, ETH, Implementing Agency

Serbia: Sustainable Urban Development Project Serbia

The World Bank together with SECO will support the Ministry of Construction, Transport and Infrastructure and selected municipalities to implement a more strategic approach to urban development as foreseen in the recently adopted National Urban Strategy. With increasing availability of EU funds and IFI loans, municipalities need to be ready to effectively plan their future infrastructure needs considering the economic impact, demographic developments, environmental risks and availability of resources. Thus, improved urban policies are critical framework conditions for faster and more inclusive economic growth.

Sector: Urban Development
Amount: approx. USD 4 million
Duration: 2020-2024
Partner: World Bank

4.2 Africa, Asia and Latin America

Africa: Swiss African Cities Lab

The Ecole Polytechnique Fédérale de Lausanne (EPFL) with the support of SECO will create an African digital education platform on urban development, offering quality MOOCs and online training for students and professionals. The platform will also act as a forum for the exchange of digital educational resources and the management and governance of African cities. It will allow training the current and next generation of urban planners, decision makers and academics across the continent. Several African universities will be part of the project.

Sector: Urban Development
Amount: CHF 2.5 million
Duration: 2020-2023
Partner: EPFL

Vietnam: Institutional Strengthening and Capacity Building for Urban Development in Vietnam

The main goal of this project is to strengthen capacities of national and local institutions to promote, plan and implement innovative and participatory solutions for urban development in Vietnamese cities. The project will link institutional capacity building and work on framework conditions with practical implementation approaches, and will help Vietnam contribute positively to the fulfilment of its international commitments on sustainable cities such as from the SDGs and the New Urban Agenda.

Sector: Urban Development
Amount: CHF 4.25 million
Duration: 2020-2024
Partner: UN-Habitat (CHF 450,000 SECO-managed)

Vietnam: Mekong Urban Resilience, Phase II

Building on the positive experience of its first phase, the main goal of this project is to improve regional planning to improve the resilience of cities in the Mekong delta. The project will a) work on the national regulatory level, b) strengthen governance mechanisms to promote inter-provincial coordination and c) facilitate and/or finance the implementation of concrete infrastructure projects. The project will be part of a larger GIZ program co-financed by BMZ.

Sector: Urban Resilience
Amount: EUR 6.0 million

Duration: 2020-2025
Partner: GIZ

Vietnam: Disruptive Technologies for Public Asset Governance (DT4PAG)

The objective of the DT4PAG is to leverage disruptive technologies to improve management and governance of public assets such as land, infrastructure and property in terms of risk management (e.g. flooding), maintenance and/or revenue generation. The DT4PAG platform also provides for a powerful way to screen new investments for risk and resilience, starting by making their spatial footprint more transparent. This will entail aligning people, processes, digital platforms and data assets to achieve better informed decision making and ultimately more resilient infrastructure.

Sector: Urban Development/Resilience
Amount: CHF 3.25 million (incl. 250,000 for preparatory phase)
Duration: 2020-2024
Partner: World Bank

Colombia: Municipal Cadaster and Tax in Colombia

The main objective of the project is to support Colombia's decentralization efforts by strengthening the fiscal and urban planning autonomy and accountability of subnational entities. Improved capacity for operation and maintenance of the multipurpose cadastre will lead to better land management and fiscal capacity of six prioritized municipalities. At the outcome level, the project aims to improve decision-making processes related to land management, especially in the areas of fiscal, cadastre and urban planning investment.

Sector: Urban Development/Cadastre
Amount: USD 6 million
Duration: 2020-2024
Partner: World Bank Group

Peru: National Urban Cadaster and Municipal Support Project

Peru's municipal governments are not able to provide adequate housing, infrastructure and services to their fast growing population. Additionally, Peru's local governments have very limited capacity to collect property taxes and households rarely pay property taxes. Strengthened urban cadastres enable local governments not only to improve their financial capacity, but also to improve their performance in municipal functions such as

urban planning and land use management to address issues such as densification or occupation of areas at risk of natural disasters. To overcome the identified obstacles, the World Bank is proposing to the Government of Peru the National Urban Cadastre and Municipal Support Project with the objective to establish and/or strengthen urban cadasters in selected municipalities in Peru. The project will be financed through a loan of USD 50 million, USD 15 million counterpart contribution and USD 5 million grant contribution of SECO.

Sector: Urban Development/Cadastre
Amount: approx. USD 5 million
Duration: 2020-2025
Partner: World Bank Group

Solid Waste Management (SWM) Program, Polog, North Macedonia, phase II

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Sector: Solid waste
Amount: aprox. CHF 6 million
Duration: 2020-2024
Partner: tbd

Latin America and Caribbean: Urban Development Multi Donor Trustfund CIT

The objective of IDB's CIT fund is to promote urban development, which is sustainable, inclusive and resilient in Latin America and Caribbean cities. For this, the CIT fund will finance proposals for strategic and comprehensive interventions, both small and large scale. The fund will support municipalities, regional and national governments to improve project preparation, increase innovation, strengthen their network and enhance knowledge generation and research. The thematic focus of the fund will be on infrastructure and services, housing, habitat, urban governance, urban economics and finance and resilience. The fund only provides non-reimbursable grants.

Sector: Urban Development
Amount: CHF 4.5 million
Duration: 2020-2024
Partner: Inter-American Development Bank

4.3 Global

Urban Planning in Migration Contexts

The rapid influx of displaced populations to urban settings have major spatial, economic and social impacts and aggravate existing challenges of municipalities. Consequently, migrants experiencing continued uncertainty and protraction, as well as limited access to economic infrastructure services. The objective of this project is to better connect and coordinate urban development strategies and investment planning with migrants' needs and humanitarian responses. This will set the groundwork to enable the development of more inclusive neighbourhoods and cities and prepare for longer-term planning initiatives to improve urban living conditions and enhance socio-economic opportunities for all. It will result in better access to economic infrastructure services for migrants and the urban population in general, and their improved connectivity with economic, social and cultural opportunities.

Sector: Urban Development
Amount: CHF 2.5 million
Duration: 2020-2023
Partner: UN Habitat