

Financing Africa's Infrastructure Future: Key Takeaways from the IPFA Future Leaders Panel

By Shu Shu Wong, Kayley Rousell | September 30, 2026

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Haynes Boone, in partnership with the International Project Finance Association ("IPFA"), was delighted to welcome guests to the firm's London office to host the organisation's Future Leaders Network panel discussion on "Infrastructure Investment: Project Finance in Africa". The event was kicked off with an update from IPFA Future Leaders Committee Chair **Saloni Kapoor** (Grant Thornton UK), followed by a welcome from Haynes Boone Counsel [Shu Shu Wong](#).

The esteemed panel was made up of Sumitomo Mitsui Trust Bank Senior Legal Counsel **Abdullahi Bashe**, British International Investment Deputy Chief Legal Officer **Julian Ewart** and KX Power Limited CEO **Dr. Zhe Zhang**, with Haynes Boone Associate [Kayley Rousell](#) moderating the discussion.

Key Takeaways

Africa's vast infrastructure deficit combined with an accelerating energy transition presents a compelling landscape for international project finance. The panel discussed the challenges and market-shaping strategies available to investors, commercial banks and development finance institutions.

Investment Barriers

- **Revenue Forecasting:** Unlike more established markets, Africa lacks the depth of historical data needed to generate reliable forecasts for investors.
- **Government Intervention:** Investment outcomes are frequently influenced by government action, complicating bankability assessments and project scaling.

Financing Tools

- **Sub-participation:** A government-backed development finance institution frequently takes the lead lending position, with commercial banks participating through sub-participation arrangements. This structure mitigates lender risk and facilitates investment in projects that may otherwise be considered too high-risk or unattractive to commercial financiers.

Risk Mitigation

- **Government-backed Power Purchase Agreements:** With creditworthiness remaining a concern for African infrastructure projects, utility-scale power purchase agreements offer a commitment to the production being bought at an agreed price.
- **Utility Credit Assignment:** Governments are increasingly reluctant to promise help if a project cannot service its debts, meaning state utilities are instead used to assign their strongest credit profiles to support projects.

- **Export Credit Agency Cover:** ECA cover remains a primary tool for allocating political risk in African markets.
- **Addressing Risk:** While pricing and risk allocation are generally well understood, a key challenge in Africa is identifying counterparties with the capacity, expertise and local presence to manage those risks effectively on the ground, an issue that many European developers are attempting to address.

Legal, Regulatory and Political Considerations

- **Cross-border Complexity:** Multiple legal regimes and government approval requirements continue to present structuring challenges in African project finance, particularly when establishing robust security packages that enable lenders to effectively enforce their rights upon a default.
- **Local Content Requirements:** Local content requirements are prominent across the continent, but they can compromise bankability and therefore require careful structuring.
- **Independent Power Producer Dynamics:** The relationship between local and international independent power producers, as well as broader country-level dynamics, are key factors in project structuring.

Dispute Resolution

- **Offshore Arbitration:** Clauses for arbitration seated outside the host country are often viewed as a bankability requirement.
- **Creative Venue Clauses:** Splitting the seat of arbitration and physical hearing venue across different jurisdictions has proven decisive in getting contracts over the line.

Key Developments to Watch

- **Data Centres and Green Hydrogen:** Identified as technologies likely to influence future development investment, these emerging projects call for concessional finance.
- **Curtailment:** Battery storage and mini-grids are cost-effective alternatives well suited to African markets, as they can serve communities without connecting to the national grid and could improve grid management in Africa.
- **Energy Market Liberalisation:** The rise of energy aggregators, intermediaries that bundle electricity from small producers and sell it onward, are opening new offtake channels.
- **Technology Transfer:** The transfer of technical know-how and technology to the continent is still essential.