

Caisse de dépôt: A Key Lever to Finance Development in Africa

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➔ Caisse de dépôt institutions constitute a key lever to mobilize local private savings for financing development.

➔ This policy brief proposes operational avenues to strengthen the role of Caisse de dépôt in financing development.

Africa faces a major financial challenge: to achieve the Sustainable Development Goals (SDGs) and finance its demographic, ecological, and digital transitions, the continent must close a financing gap estimated at several hundred billion dollars per year. Public resources and official development aid will not be sufficient. The solution may lie in domestic private resources: Caisse de dépôt institutions, little-known yet strategic financial institutions, have the potential to mobilize local private savings—currently largely underutilized—to finance projects of public interest. Present in eleven African countries, they still struggle to fully play their role. How can they become an effective lever to transform national savings into a driver of development?

This policy brief builds on the report submitted to the Forum of the Caisse de dépôt in December 2025 (Léon and Dramé, 2025) and proposes concrete avenues to strengthen their impact.

► Mobilizing Domestic Private Resources: A Necessity to Finance Development in Africa

Africa faces an unprecedented financial challenge. According to a recent estimate by the African Union and the OECD (AUC/OECD, 2023), an additional \$1.6 trillion will be needed by 2030 to achieve the Sustainable Development Goals. This amount represents 7% of the continent's annual GDP and does not even cover the needs related to climate change adaptation or demographic, energy, ecological, and digital transitions.

There is room to mobilize additional resources. As highlighted in our report (Léon and Dramé, 2025), African countries have underexploited levers to finance their development. While tax reforms can unlock public resources (Benitez *et al.*, 2023; Dama *et al.*, 2024), their implementation takes time (Chen *et al.*, 2019) and remains insufficient given the scale of needs. **External flows—whether public (international aid) or private (foreign investment)—will not be enough to close the financing gap,** especially as they are either declining as official aid (Boussichas *et al.*, 2025) or concentrated in a limited number of economies as foreign direct investments (UNCTAD, 2025).

The key therefore lies in mobilizing domestic private resources, a solution often overlooked but essential. Contrary to common belief, Africa does not lack savings; rather, savings are insufficiently channeled into the formal financial sector. According to Global Findex data (Klapper *et al.*, 2025), Africans have a similar propensity to save as other populations but are less likely to place their savings in banks. Only about one-third of African households have a bank account, compared with half in the Middle East and North Africa region and more than three-quarters on other continents. As a result, loanable funds are more limited. Bank deposits represent less than 40% of GDP in Africa, compared with more than 60% elsewhere. This situation is compounded by banks' reluctance to lend long term: credit represents barely two-thirds of deposits in Africa, compared with more than 80% globally.

The continent therefore holds a reservoir of local private capital that, if better structured, could finance projects of public interest without increasing public debt or relying on external flows.

► *Caisse de dépôt*: A Key Tool to Channel Domestic Private Resources Toward Development Financing

To close Africa's financing gap, mobilizing domestic private resources and directing them toward public-interest investments is essential. ***Caisse de dépôt* offer an appropriate response to this challenge,** as shown in our report (Léon and Dramé, 2025). Emerging in Europe in the 19th century, they have regained interest in North, West and Central Africa since the 2010s, with eleven institutions currently operating on the continent.

Their creation addresses two major challenges: financing development needs by mobilizing private resources to ease pressure on public finances on the one hand, and improving financial inclusion on the other hand.

Caisse de dépôt are unique development finance institutions built around a dual mandate.

First, they collect, secure, and manage financial resources on behalf of third parties. They must ensure that entrusted funds can be returned without capital loss. They manage consignments and certain deposits for which they hold a monopoly. Consignments are sums held in escrow to be returned to their beneficiaries. These may be third-party funds (e.g., prisoners' savings), disputed sums (e.g., in the context of an estate), unclaimed funds (e.g., unclaimed life insurance), or bonds (sums paid as security). *Caisse de dépôt* also have a monopoly on certain deposits, the most common of which are legal profession funds, pension fund cash, and reserves from other public institutions. However, the scope of these deposits that must be held by *Caisse de dépôt* varies from country to country. Finally, some *Caisse de dépôt* institutions, such as those in the Mediterranean region (France, Italy, Morocco, Tunisia), also benefit from regulated

savings, which are a major financial resource for these institutions.

Second, they transform part of these short-term resources into long-term investments aligned with national priorities. Their model combines prudent asset management with investment in key sectors such as social housing, infrastructure, and regional development. In Africa, they often intervene through equity stakes in local firms, a segment underexploited by other financial actors.

► **The Strengths of Caisse de dépôt: A Triple Benefit for the Economy**

For governments, they represent a strategic lever to finance structuring projects without increasing public debt. Like development banks, they help preserve fiscal space while acting as catalysts for the implementation of public policy. Examples from the Mediterranean illustrate their key role in financial inclusion, particularly through partnerships with postal networks or the creation of accessible savings products.

For depositors, they guarantee secure and remunerative savings solutions. Unlike traditional bank accounts, which are often not guaranteed by the government, deposit banks offer enhanced security and returns on funds, while remaining inexpensive and easy to access. They are therefore a suitable solution for individuals and institutions (legal professions, pension funds) seeking security and profitability.

For the national economy, they mobilize currently underutilized resources. By centralizing funds that would otherwise remain idle or short-term oriented, they optimize allocation toward long-term projects and stimulate local economic activity. Without Caisse de dépôt, these funds—often deposited with the central bank, the Treasury, or commercial banks—remain largely unused for long-term investments.

► **Strengthening the Impact of Caisse de dépôt in Africa: Challenges and Action Areas**

Although inspired by proven models in Europe or in Morocco, **Caisse de dépôt in Sub-Saharan Africa still make a limited contribution due to resource constraints.** However, their potential is huge, as documented in our report (Léon and Dramé, 2025). **To unlock this potential, three pillars of action are identified** (see Figure below):

1. Build stakeholder trust (governments, depositors, financial actors).
2. Increase resources by repatriating statutory funds and diversifying funding sources.
3. Integrate as key partners within the financial ecosystem, complementing rather than competing with banks.

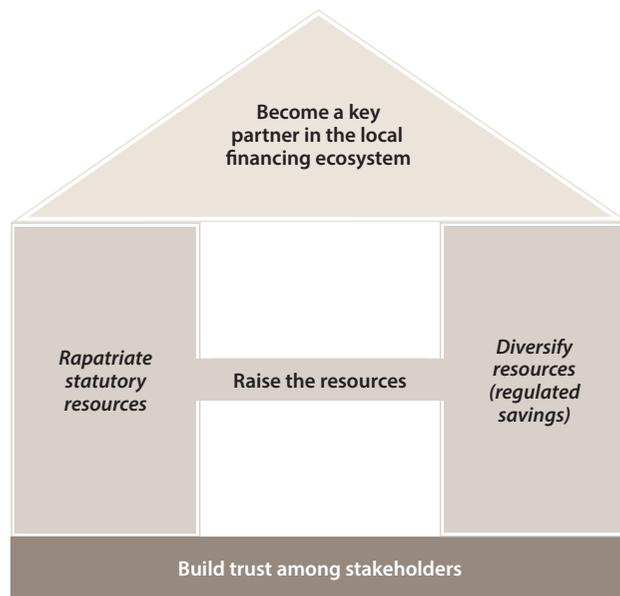
These areas, which are discussed in more detail later in this note, aim to make Caisse de dépôt key players in development financing in Africa (a more in-depth analysis is available in the report).

Building Trust

The difficulty faced by African Caisse de dépôt in mobilizing their statutory resources and fully carrying out their mandates stems **from a deficit of trust among stakeholders: governments, depositors, and financial actors.** Without strong political backing, Caisse de dépôt cannot repatriate the funds legally assigned to them, nor can they expand their resource base. Yet such support, while necessary, is not sufficient. Wary depositors refrain from placing their funds with them, while banks and financial intermediaries often perceive these institutions as competitors capturing resources they consider to be their own. This mistrust can even lead to active obstruction, such as the refusal to transfer funds to the Caisse de dépôt.

Trust cannot be decreed; it must be built. French, Italian, and Moroccan Caisse de dépôt have demonstrated that trust is earned through evidence of usefulness and solidity, and that it must be continuously renewed. In Africa, where these institutions are still relatively young and often viewed

Figure 1: Three levers for taking action



4

with skepticism, accelerating this process is a key challenge. Several levers can be activated.

First, to establish their legitimacy, Caisse de dépôt must rest on solid foundations. They require clear and stable legislative frameworks explicitly defining their mandates, resources, and modalities of intervention. Given their specific features, regulation must be adapted to their particular status. As highlighted in prior studies on development banks (de Castro, 2018; Gottschalk *et al.*, 2020), the regulation of development finance institutions must be tailored to the risks involved—particularly depositor protection in this case—and to the operational model of Caisse de dépôt. Trust will also be strengthened through the establishment of a coherent governance framework. Analysis of existing arrangements reveals significant divergence among Caisse de dépôt (Léon and Dramé, 2025). While it is difficult to apply a single governance model to all institutions, certain principles may serve as guidelines: balanced representation between political authorities and economic stakeholders in governing bodies; a clear division

of responsibilities at each level; independent internal and external control mechanisms; and rigorous, competency-based selection of senior management.

Second, Caisse de dépôt must define a strategic direction that is ambitious yet credible. Although strategic orientations are often articulated, they must be aligned with available financial and human resources. Institutions should focus on priority segments and build their expansion gradually and coherently. An overly optimistic strategic framework risks generating commitments that cannot be fulfilled. Nonetheless, ambition and differentiation remain essential to justify their added value.

Finally, **limited understanding of the activities of Caisse de dépôt fuels mistrust.** Our study highlighted insufficient transparency among some institutions. Increased communication and engagement with stakeholders are therefore essential to promote awareness of the model. At a minimum, institutions should communicate regularly about their activities through comprehensive and

up-to-date annual reports and websites. However, transparency should go beyond formal disclosure. Regular dialogue with partners—and even their inclusion within governance bodies—can strengthen institutional anchoring. Communication efforts should also serve an advocacy function, raising awareness of the institutions' benefits and achievements in order to foster support among economic actors. This advocacy dimension should not be underestimated if Caisse de dépôt are to secure sustained backing from governments and economic stakeholders.

Increasing Resources

The major challenge faced by African Caisse de dépôt lies in their inability to fully mobilize the statutory resources assigned to them, notably consignments and mandatory deposits. This severely constrains their capacity to act as long-term investors—a role that is essential for financing transformative projects. Without a minimum volume of resources, part of which can be committed over the long term, their scope of action remains restricted. Repatriating these funds and diversifying funding sources therefore becomes an absolute priority.

To achieve this, Caisse de dépôt must begin by conducting a precise diagnostic of the statutory resources they are legally entitled to hold, comparing legislative provisions with actual practice. This exercise will not only identify discrepancies but may also uncover additional potential resources, such as provisions set aside by extractive industries for site rehabilitation, which could legitimately be transferred to the institutions. Once this assessment has been completed, **it is crucial to design a structured and gradual repatriation plan.** Resources should be prioritized according to their potential, the possible resistance of current custodians, and the absorption capacity of the Caisse. Smaller amounts, which are less likely to provoke opposition, may be targeted first to demonstrate effective management. For larger sums, a phased approach—including partial transfers—can help reduce tensions while strengthening institutional credibility. The plan should establish a realistic ti-

meline for the progressive transfer of all statutory resources, while involving stakeholders in order to understand and address their reservations.

Beyond the repatriation of existing funds, **Caisse de dépôt must broaden their funding sources, particularly by developing regulated savings products tailored to local populations and the diaspora.** Successful experiences in Europe and North Africa show that simple, accessible, secure, liquid, and remunerative savings products can transform informal savings into a powerful lever for development. To be effective, such products must be distributed through existing channels or digital solutions, while offering deposit guarantees and sufficient liquidity to reassure savers. A return at least equal to inflation also helps preserve households' purchasing power while mobilizing resources for long-term investment. Products may be adapted to local specificities, for instance by targeting diaspora communities or partnering with existing financial actors to expand distribution.

However, the success of this strategy depends on three essential conditions. First, the Caisse de dépôt must have reached a sufficient level of institutional maturity to absorb and manage new financial inflows. Second, depositors must trust the institution, which requires transparent communication regarding its activities and results. Third, the deployment of regulated savings products must be accompanied by financial education initiatives to familiarize populations with their features and advantages. This approach not only mobilizes local savings but also strengthens financial inclusion and stimulates investment in transformative projects across the continent.

Acting as a Partner in the Financing Ecosystem

Mobilizing resources is a necessary step for Caisse de dépôt, but equal attention must be given to how these funds are deployed to finance projects of public interest. Their credibility depends not only on fulfilling their primary mission as trusted custodians, but also on their effectiveness as long-term investors. To be perceived as partners rather than competitors, Caisse de dépôt must position

themselves as supportive actors within the local financing ecosystem.

To reinforce their credibility and role within the financial ecosystem, Caisse de dépôt must demonstrate their added value as long-term investors and partners of local actors. This requires the development of a clear financing strategy, defining sectoral priorities and a realistic yet adaptable investment timeline. Such a strategy should enable them to position themselves as stable and complementary actors, avoiding direct competition with existing financial intermediaries. The objective is to address market gaps, particularly by targeting underdeveloped segments such as equity participation or by providing very long-term financing incorporating extra-financial criteria. By relying on careful analysis of market needs and stakeholder strengths, this approach strengthens legitimacy and impact while allowing adaptation to an uncertain economic environment.

Caisse de dépôt may also play an active role in supporting the local financial system by providing liquidity, structuring emerging markets—such as private debt—and developing innovative services through subsidiaries. Their capacity to assume a higher level of risk makes them essential catalysts for projects of public interest. Furthermore, they have the opportunity to influence commercial banking practices by encouraging greater integration of social and environmental criteria into investment decisions. Their action therefore goes beyond mere additionality, contributing instead to a lasting transformation of the financial ecosystem in favor of a more inclusive and resilient economy.

► Conclusion: Caisse de dépôt as an Essential Lever to Transform African Savings into a Development Engine

Given the scale of financing needs required to achieve the Sustainable Development Goals and address demographic, ecological, and digital transitions, Africa cannot rely solely on public resources or external flows, whether public or pri-

vate. Through their dual mandate as trusted custodians and long-term investors, Caisse de dépôt provide an original and well-adapted response to this challenge: mobilizing underutilized domestic private savings to finance transformative projects while strengthening financial inclusion.

Their success will nevertheless depend on their capacity to overcome current obstacles—lack of trust, limited resources, and at times a perception of competition—through targeted reforms: a robust legal and regulatory framework, transparent governance, and an ambitious yet realistic strategy aligned with national priorities and the needs of local ecosystems.

To become central actors in development, Caisse de dépôt must position themselves as indispensable partners within the financial ecosystem, working in complementarity with banks and other intermediaries. This entails structuring still-emerging markets, such as private debt; innovating in savings products to attract diaspora and household resources; and supporting local actors in adopting more responsible practices. By doing so, they will not merely fill a financing gap: they will contribute to building a more resilient, inclusive, and forward-looking African economy, while preserving fiscal stability. The challenge is significant, but successful experiences in Europe and North Africa demonstrate that, when properly implemented, this model can become a cornerstone of development financing on the continent.

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