

Sneak Peek – FY 2020 League Tables: year of the bond

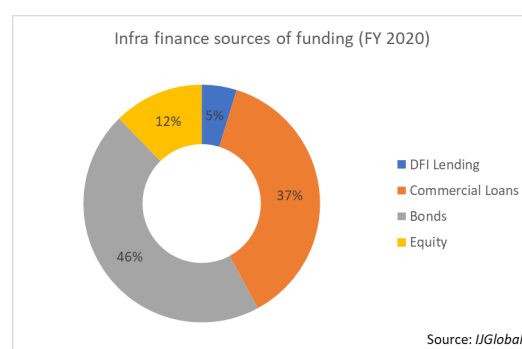
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Bonds and renewables... with 76% of client submissions processed, the preliminary data for the IJGlobal Full-Year League Table Report (2020) suggests these two words define infrastructure finance in 2020.

Interim data suggests that bonds were the preferred source of funding in infrastructure finance throughout 2020, with 46% of proceeds, followed by commercial loans (37%).

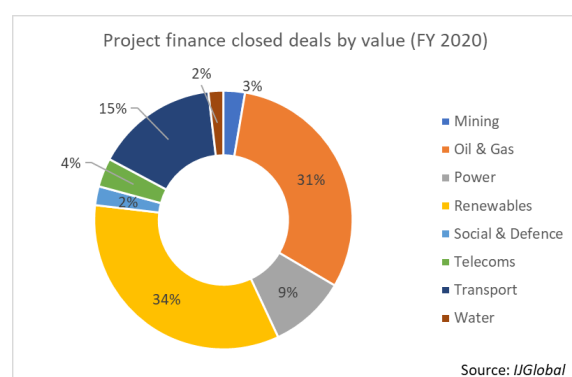
Oil and gas, power and telecom majors from Europe and North America – Chevron, Energy Transfer, Iberdrola, Occidental Petroleum, BP, Altice, Cellnex and O2, to name a few – issued tens of billions worth of corporate bonds in a bid to tap into the capital markets and achieve stability in the Covid-19 crisis.



Beyond security, preliminary data suggests that bonds were also a sort of forward-looking statement, with companies committing to renewable energy.

Power sector giants such as EDF, E.ON, TenneT, EDP and Avangrid went further into that territory, obtaining green project bonds – a strong stance and commitment to renewable pipeline portfolios.

Renewables for the win



Building on a momentum dating back for at least the past three years, IJGlobal preliminary data validates the importance that renewable energy projects had throughout 2020. Indeed, project finance for renewables takes the first place both in terms of deal value and transaction count.

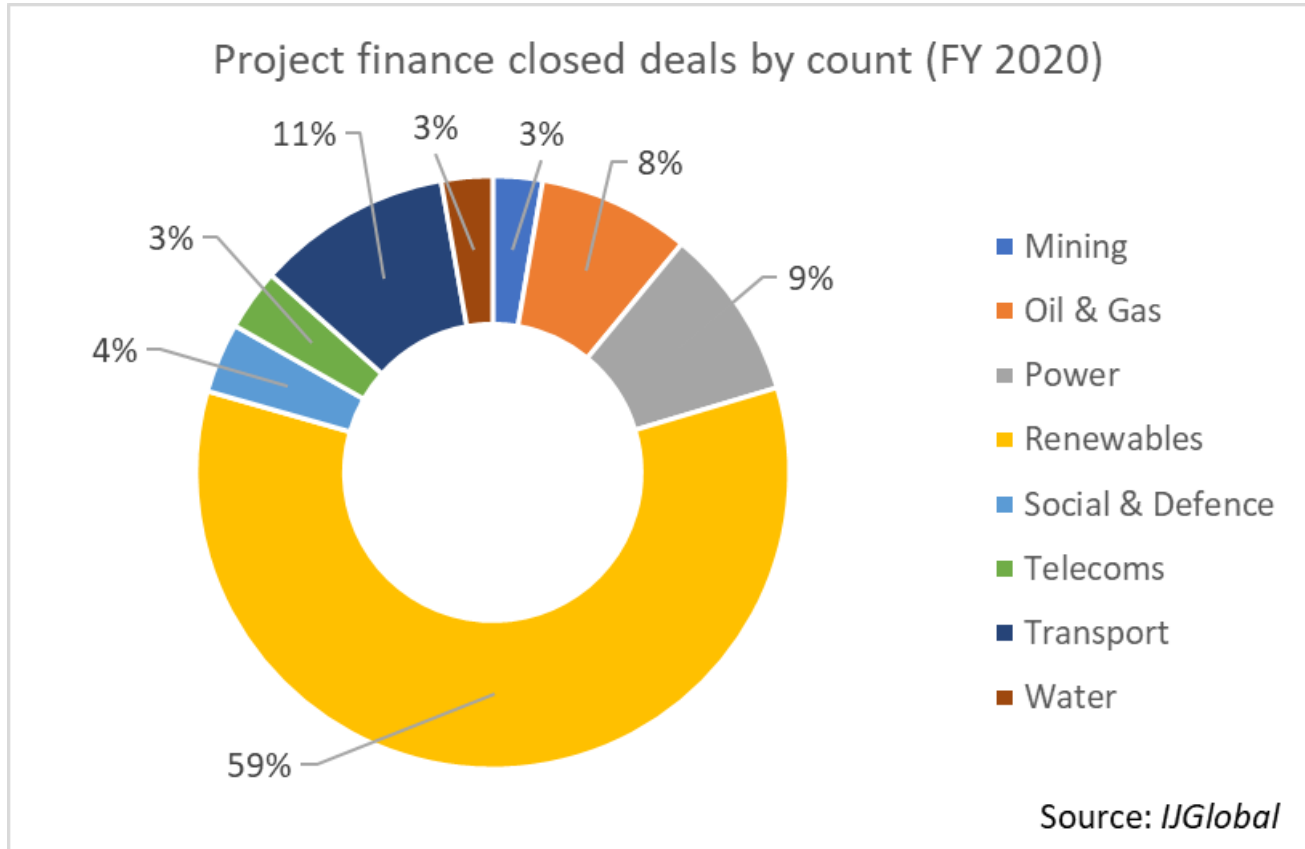
The period saw a number of ultra-large scale projects reach financial close, more specifically in the offshore wind sector.

Dogger Bank A and B in the UK, reportedly exceeding \$12 billion in value, reached financial close in November, with a complex structured debt provided by some 30 lenders and backed by export credit agencies.

Favourable regulatory regimes and investor appetite for offshore wind were among the factors allowing for the completion of other notable projects – the 1.14GW Seagreen bundle (UK), the 600MW Changfang and Xidao duo (China), and the 500MW Fecamp wind farm (France).

The rush for renewables is also a marker for the rise of environmental consciousness. In 2020, it made its way in

mainstream infrastructure financing in the form of green bonds and ESG criteria applied to both corporate and project finance.



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