IJGlobal Awards 2023 – Africa Deal Winners

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The massed infrastructure and energy community gathered in London this evening to attend IJGlobal Awards 2023, celebrating the successes of the last calendar year for deals closed across Europe and Africa.

This story focuses on the African winners in the Deals Category for transactions that made it to financial close across the infrastructure and energy sectors from 1 January to 31 December 2023.

To read about the winners – also announced tonight at a splendid event in the newly-opened Peninsula London in Belgravia – for transactions closed in Europe, click here...

Meanwhile, to read about all the winners from the Company Category for both Europe and Africa, click here...

As with all IJGlobal ceremonies, the company awards are chosen by an independent panel of industry experts. Meanwhile the transactions are chosen – from submissions – by the relevant editorial members.

A total of 10 transactions were chosen from the submissions to recognise their achievements. They are:

- Innovation of the Year – Release by Scatec with CFM – Catalysing Investment into Renewables
- Sustainability-Linked Deal of the Year – Gold Fields' Sustainability-Linked RCF
- Energy Transition Deal of the Year – ACWA Power – Kom Ombo Solar PV
- Transport Deal of the Year – Cape Verde Airports Concession
- Telecoms Deal of the Year – Project East2West
- Renewable Energy Deal of the Year – Wind – Castle Wind Farm
- Renewable Energy Deal of the Year – Solar – Mainstream Solar PV Project
- Power Deal of the Year – Singrobo Hydropower Plant
- Oil & Gas Deal of the Year – Cabinda Oil Refinery, Angola
- Refinance Deal of the Year – SECAA – Dakar-Diamniadio Toll Road PPP

Innovation of the Year

Release by Scatec with CFM – Catalysing Investment into Renewables

This award has been created to recognise Release by Scatec – and its support from Climate Fund Managers (CFM) – for driving investments across Africa into renewables and battery energy storage.

Release is Scatec's innovative approach to distributed generation solar PV and battery energy storage systems (BESS) for projects as small as 5MW, matching a need to deliver simple and on-demand renewable energy solutions.

This modular solution comprises pre-assembled and containerised movable trackers and storage units. The equipment is pre-funded and deployed through a straightforward and adaptable leasing agreement, lasting at least 5 years and up to 15 years.

Mobility of the equipment enables Release to assess its useful lifespan, enabling the company to provide cost-effective short-term contracts. This flexibility ensures competitive pricing while maintaining high-quality service and technology. Equipment can also be deployed within 9 months of initial conversation.

It has projects in operation and under construction in Cameroon, South Africa, South Sudan (as well as Mexico) with a total capacity of 47MW solar PV and 20MWh BESS. It has (at the time of writing the submission) additional contracts for 35MW solar PV and 20MWh of storage in Chad, in addition to maturing its advanced pipeline.

Release intends to replicate its rapid deployment model to address shortfalls in local grid power supplies throughout the region.

CFM will provide $102 million – of which $55 million will be in equity for a 32% stake in Release and $47 million will be in shareholder and concessional loans allowing for a long-term deployment target of 110MW PV and 25MWh BESS per annum.

CFM's all-equity solution and expertise in renewable energy projects ensured that the project investment was completed in an efficient and timely manner, reducing overall costs.

The blended nature of the funding, together with the provision of concessional funding, ensures that technology can be provided to utilities and commercial customers at competitive rates. Following its funding, the platform will scale up and expand into new markets.

This supports the development of renewable energy as financing constrained utilities in middle- to low-income countries like Cameroon, Chad and Liberia would generally not attract such investments due to perceived credit risk and poor financial health.

CFM's funding will unlock DFI and debt funding for this platform. The blended nature of the financing coupled with guarantees will enable utilities from these countries to reduce their reliance on fossil fuels in a financially sustainable manner.

CFM will take a proactive role in aligning the project with the IFC performance standards and implementation of the IFC-compliant environmental and social management system (ESMS) as well as a meaningful gender action plan and community development programme.

With CFM catalysing investment and a refinancing debt facility of $100 million from a DFI, Release will re-invest returns from the establishment phase and raise further debt to fund its medium- to long-term deployment target of 110MW of PV and 25MWh BESS per annum from 2026 onwards to capitalise on the market opportunity of 30-50GW of generation capacity.

The platform will by 2039 enable production of 2,539.9GWh/year.

Sustainability-Linked Deal of the Year

Gold Fields' Sustainability-Linked RCF

Gold Fields in June refinanced its $1.2 billion 2019 revolving credit facility with a new facility linked to the achievement of 3 key ESG priorities – gender diversity, water stewardship and decarbonisation.

The new RCF involves a principal loan of $1.2 billion with an option to increase the facility by up to $400 million. It has a tenor of 5 years, with an option to extend through 2x 1-year extensions.

Gold Fields will benefit from lower margins depending on its fulfilment of sustainability-linked KPIs under the facility agreement. Conversely, it will pay a premium on margins should the KPIs not be met.

The facility agreement was concluded with a syndicate of 16 banks, with MUFG Bank as sole global co-ordinator and ING Bank and MUFG serving as joint sustainability co-ordinators.

The sustainability linked KPIs focus on improving female representation on Gold Field's workforce (currently at 23%); increase the amount of reused/recycled water from the 75% of total water consumption achieved in 2022; and abatement in Scope 1 and 2 CO2 emissions through renewable energy projects.

Energy Transition Deal of the Year

ACWA Power – Kom Ombo Solar PV

ACWA Power – through its subsidiaries ACWA Power Egypt for Energy and ACWA Power Kom Ombo for Energy – secured the financing for the establishment of a 200MW solar PV power plant.

The financing package includes a $114.4 million senior term loan facility granted to ACWA Power Kom Ombo for Energy by the European Bank for Reconstruction and Development (EBRD), the African Development Bank (AfDB) and the OPEC Fund for International Development.

The senior debt was extended to partially financing the DBFOM of a 200MW PV plant in Kom Ombo, Aswan, Egypt.

A debt service reserve facility of $6.56 million was granted by Banque Misr and was extended in the form of a DSRA LC and the refinancing of any claimed amount under the said DSRA LC.

Banque Misr also extended a $33 million bonding facility to ACWA Power Egypt for Energy. The purpose of the facility is to cover the company's bonding requirements under the project's agreements – the PPA and the land usufruct agreement entered into with the Egyptian Electricity Transmission Company (EETC) and the New and Renewable Energy Authority (NREA), respectively.

This transaction marks a new addition to ACWA Power's established energy portfolio and proven track record in Egypt, which currently includes 3 solar PV projects in the Aswan province – the Benban projects – with an aggregate capacity of 120MW.

This latest deal reflects ACWA Power's commitment to advancing Egypt's renewable energy landscape and decarbonisation efforts.

Transport Deal of the Year

Cape Verde Airports Concession

The financing of the upgrade and extension of Cape Verde's 7 airports – 4 international in the capital Praia and on the islands of Sal, São Vicente and Boa Vista; and 3 domestic on the islands of São Nicolau and Maio and in the city of São Filipe – wins the transport trophy.

Cape Verde's government signed a concession agreement with Vinci (70%) and subsidiary ANA (30%) to upgrade the 7 airports with Vinci Airports, awarding it a 40-year concession. Vinci will develop solar and onshore wind projects under the concession to power the facilities.

Vinci Airports secured €60 million in financing, maturing over 20 years, from 3 development banks – the IFC, Proparco and DEG. This financing is certified under the sustainability-linked financing (SLF) framework.

This is Cape Verde's first concession for a major public infrastructure asset and could become a model for further privatisation across the rest of the African continent.

The financing was granted under a 20-year sustainability financing framework making it the first sustainability-linked loan in the African airports sector. It was also the first deal that IFC, Proparco and DEG have financed in the airports sector through a sustainability-linked facility.

Cape Verde has witnessed a significant growth in international passenger traffic in the years prior to the Covid pandemic, driving the need for an increase in capacity and infrastructure at its airports to accommodate this, and future growth.

The project reached financial close in July, after having been in the works since 2019 and overcoming challenges posed by the pandemic.

The goal of the project is to undertake the necessary upgrades and capacity improvements for a growing tourism demand to guarantee an appropriate capacity and quality standards of all airport infrastructure and the compliance with International Civil Aviation Organization (ICAO) regulations.

The project also includes several green initiatives, not least of which is the provision of renewable energy at some of the airports.

Telecoms Deal of the Year

Project East2West

Bayobab and Africa50 in May signed a partnership to develop Project East2West – a terrestrial fibre optic cable network connecting the eastern shores of Africa to those on the continent's west.

The partnership will invest up to $320 million to connect 10 African countries over the years 2023-25, by the end of which it is expected to be completed).

Bayobab is wholly owned by MTN Group and Africa50 – as co-developer – is fostering the harmonisation of regional data and security regulations, boosting consumption of local content throughout the region and promoting inter-regional exchanges and regional economic development.

Alain Ebobissé, chief executive of Africa50, said at the time: "Project East 2 West is a remarkable and transformative project that will revolutionise Africa's internet capacity expansion by fast tracking the growth and development of 4G and 5G.

"It will have a significant impact on Africa's quest to make the internet accessible to its growing population. Partnering with a large pan-African company like Project Drone and MTN is significant in rolling out such an impactful cross-border project."

Renewable Energy Deal of the Year – Wind

Castle Wind Farm

African Infrastructure Investment Managers (AIIM) and its partners win the wind award for the 89MW Castle Wind Farm and the facility put in place to supply power to Sibanye-Stillwater's South African mining operations via an Eskom wheeling agreement.

The consortium is led by AIIM – through its renewable energy project development and delivery platform African Clean Energy Developments (ACED) – and Reatile Renewables.

The project reached financial close in late May which served as the effective date of the PPA between the project company and Sibanye-Stillwater and the commencement of construction.

The energy from Castle Wind Farm – located near the town of De Aar in the Northern Cape province of South Africa – and will result in energy cost savings, increased energy security and decarbonisation benefits for Sibanye-Stillwater, a multinational mining and metals processing group.

The addition of increased power generation capacity to the national grid will contribute to offsetting the power deficit currently being experienced in the country.

AIIM has been a strong proponent of increasing the ability of South African pension funds to invest in unlisted infrastructure investments.

These assets provide an attractive option for pension funds to meet their investment return aspirations and help address the significant infrastructure backlog the country is facing.

Renewable Energy Deal of the Year – Solar

Mainstream Solar PV Project

Mainstream Renewable Power wins the renewables award in this category for the ZAR 2 billion, 97.5MW Free State Province Solar PV Plant which made it to financial close in November.

Rand Merchant Bank (RMB) and Absa Bank acted as joint MLAs on the financing of the project that is being developed by Mainstream for the generation and sale of energy to Sasol South Africa and Air Liquide.

The financing structure was innovative and is a first of its kind for a transaction of this nature – the structure entails both loan and preference share funding, with the funding terms and security being structured to ensure lenders and preference shareholders rank parri passu, notwithstanding the differing nature of the funding instruments (being debt and equity, respectively).

The transaction entailed novel structuring and tax considerations bearing in mind the funding requirements relating both to the acquisition of the project company and the DBFOM of the project.

Power Deal of the Year

Singrobo Hydropower Plant

The 44MW Singrobo Hydropower Plant in Côte d'Ivoire wins the power deal of the year for an impressive transaction that was brought to financial close at the start of 2023.

It is West Africa's first private sector-financed hydropower facility and it will supply electricity to 100,000 households, while taking significant steps to reduce greenhouse gas emissions.

Three years after construction started, the Singrobo-Ahouaty facility – around 150km north of Abidjan – hit FC on 6

January, and by the end of March it was almost 80% complete.

Financing for the project was provided by the African Development Bank (AfDB), Africa Finance Corporation (AFC), German development bank DEG and Emerging Africa Infrastructure Fund.

The equity team was led by the AFC (51%) alongside FMO (35%) and Ivoire Hydro Energy (14%).

The power station will supply 217GWh of energy annually, helping Ivory Coast avoid the emission of 124,000 tons of carbon dioxide in the same period.

Côte d'Ivoire currently generates 2.2GW, making it one of the leading generators of power in West Africa, with around 70% from thermal generation and the rest renewables – mainly hydroelectric.

The hydro plant will increase the country's overall power capacity as well as reduce generation costs due to the low operating cost of hydroelectric power. It will also further Côte d'Ivoire's goal of becoming a frontrunner in regional renewable energy.

Oil & Gas Deal of the Year

Cabinda Oil Refinery, Angola

The project finance of the first phase of Cabinda Oil Refinery – Sonangol (60%) and Gemcorp (40%) – wins the O&G award for a transformative, 30,000 barrels-per-day facility in Angola.

The Fund for Export Development in Africa (FEDA) – Afreximbank's impact investment subsidiary – played a key role in driving this transaction to a successful conclusion at the start of July.

The integrated modular oil refining platform (developed by Gemcorp Holdings in a JV with Sonangol) is a 60,000 bpd high conversion refinery (with a first phase of 30,000 bpd) in the Cabinda Province.

The refinery is targeted at processing Angola's crude oil into petroleum products including diesel, gasoline, naphtha, and jet fuel for both local and export consumption.

Upon completion, Cabinda Oil Refinery will double Angola's refining capacity, enabling the country and the wider region to reduce their reliance on imported refined petroleum products.

With this investment, FEDA confirms its commitment to support Africa's industrialisation and economic development, while ensuring environmental sustainability.

The transaction will support Angola's energy transition by enabling the production of cleaner, high value refined products to cater for up to 20% of domestic demand, as well reducing emissions by decreasing the need of transport for both the export of locally produced crude oil and the import of refined products.

FEDA's investment came shortly after Gemcorp, Afreximbank and AFC led the debt raise of a $335 million project financing facility – the reason this project is winning this award.

With this additional investment from FEDA, Afreximbank demonstrates its ability to invest across the capital structure and provide unparalleled support to the development of critical infrastructure across the continent.

Refinance Deal of the Year

SECAA – Dakar-Diamniadio Toll Road PPP

The refinance by Société Eiffage de la Concession de l'Autoroute de l'Avenir (SECAA) of Senegal's 32km Dakar-Diamniadio Toll Road wins as the most impressive refinance to have closed in the region.

SECAA – in which Eiffage (75%) and the State of Senegal (25%) are shareholders – originally financed the PPP road in 2010 and then expanded the project in 2014.

This latest development (for which the project is winning an award) – the refi – released IFC and AfDB to be replaced by West Africa Development Bank (BOAD) which came in for €47 million, CBAO (subsidiary of Attijariwafa Bank) with €47 million, and Emerging Africa Infrastructure Fund (EAIF) with €46 million.

This award is granted primarily to recognise the replacement of development finance with a more commercial style of lender… and because it's an outstanding project.

The nature of the concession was unique and innovative for deals in this region and the involvement of the State of Senegal added supplemental layers of originality and complexity.

The Autoroute de l'Avenir Dakar-Diamniadio-AIBD (Aéroport International Blaise Diagne) – A1 motorway – was the first real toll motorway in Western Africa to be built and operate under the PPP model.

The A1 is deemed to be one of Senegal's most important economic routes, connecting the capital city of Dakar to the international airport.