



IJGlobal

Project Finance & Infrastructure Journal

Annual 2023



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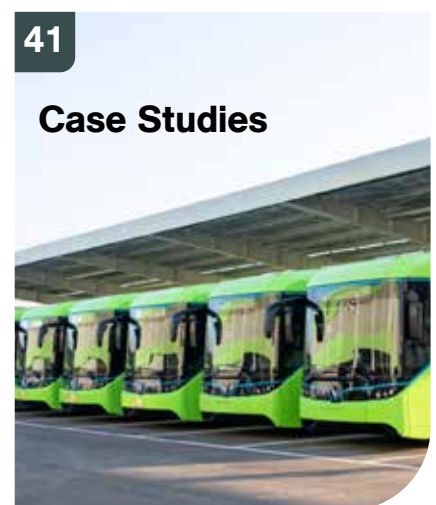
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EDITORS LETTER

A celebration of all things infra...

IJGlobal editorial director **Angus Leslie Melville** takes a look back at the 2022 calendar year in the hope that it helps us better understand the future...

Now that the dust has settled from the new year, the *IJGlobal* league tables for greenfield financing and the funds and investors report are long since published... the next landmark for the year is our awards season in March.

Sitting in this twixt period before launch of our awards to celebrate the financing of greenfield infra/energy around the world, we have pulled together a snapshot of the key data points from the last calendar year, followed by a hand-picked selection of case studies for your entertainment.

Looking over the shoulder at last year, the greatest solace (and possibly concern) that can be taken is from new records being broken in fundraising for infrastructure funds. This is a double-edged sword if ever there was one.

While infra geeks (that's all of us, by the way) love to see the line heading towards the top right, growing consistently every year... one cannot help but think of those who were building the Tower of Babel and ponder how much pleasure they took in coming that bit closer to the heavens.

What fun. It feels just like the greenfield market as it rampaged up to market highs in 2007.

That's perhaps a tad strong, but there is a shift underway that clearly represents a flight to scale for LPs in a scenario that could be a replication of how restaurants fare during a financial downturn. The top end eateries continues to perform well as the high rollers always want somewhere to fine dine, and the bottom end muddles along as everyone wants a sandwich. It's the middle strata that goes out of business as it's a little too expensive for a humble night out and (at the other end of the scale) does not have the wow factor to fall into the splurge category.

Flipping that across to the funds community, the mega funds will continue to attract investors and niche funds (the bottom end

of the restaurant analogy) will still attract LPs for their specialist areas of activity. It's the mid-tier of infra funds that fall into neither camp that will struggle to raise funds.

On the greenfield side, the continued rise of project finance over the course of the last 5 years is more of a stable evolution and lends more confidence of a sustainable future... which is just as well as energy transition establishes itself.

Energy security – the most repeated term of 2022, and likely 2023 too – remains at the front of every agenda... and the foot will remain firmly planted on this accelerator for the coming year.

As efforts to achieve the all-important confidence that you can power your own nation (hopefully with the ability to export excess energy through interconnectors that are being pushed through the system) will continue to see massive investments... alongside a good number of bets placed on outsiders that everyone insists are favourites.

Hydrogen falls firmly into the outsider category and the insistence of those who proselytise on its behalf is a trifle too insistent and earnest not to set alarm bells ringing.

There are a lot of hugely impressive organisations driving the hydrogen agenda and we can hope that they are successful in finding ways to transport it... but in the here and now, hydrogen created next to where it is being deployed makes an awful lot of sense.

Some car manufacturers are clearly taking a different stance and evolving engines to rival electric vehicles, but – as with the entire hydrogen play – you have to accept that there is an element of the gaming table at play.

It's a brave old world that continues to drive the agendas and a terrifying one for the outside chances that may end up ruling the world. ■



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Project Finance & Infrastructure Journal

Funds Report



FUNDS REPORT

The infra fund bonanza

The rise of infrastructure fundraising continued in 2022 as it set new records, but it seems unlikely that the trend will continue this year as LPs react to a challenging market, favouring scale and niche... with the second tier likely to feel the pinch.

Fundraising for closed-end infrastructure funds hit a record in 2022, with a return of pre-pandemic levels of dominance by the largest funds as the flight to scale beds in and investors seek the security of big names.

Capital raising in the last calendar year reached record levels compared with the previous 5, nearing \$147 billion – up from \$140 billion in 2021. The average size of vehicles also hit a high mark, surpassing \$2.3 billion in 2022. This is compared to an average of about \$1.7 billion for 2017-2022.

Further, the average time taken to reach final close has continued its trend as an ever-faster process, now standing at 26 months – outpacing all performance for the last 5 years. Levels of re-ups are blistering.

Funds have consistently overperformed on fundraising, with a majority of vehicles surpassing targets, attaining as much as 150% at final close. About 18% of vehicles performed above the 150% threshold (another 5-year high).

New vehicles launched in the year were dominated by mega-funds targeting developed markets. Data suggest that this trend will continue this year.

EQT alone launched 2 funds in 2022 that together have a target of more than \$25 billion with multi-sector strategies. The fund

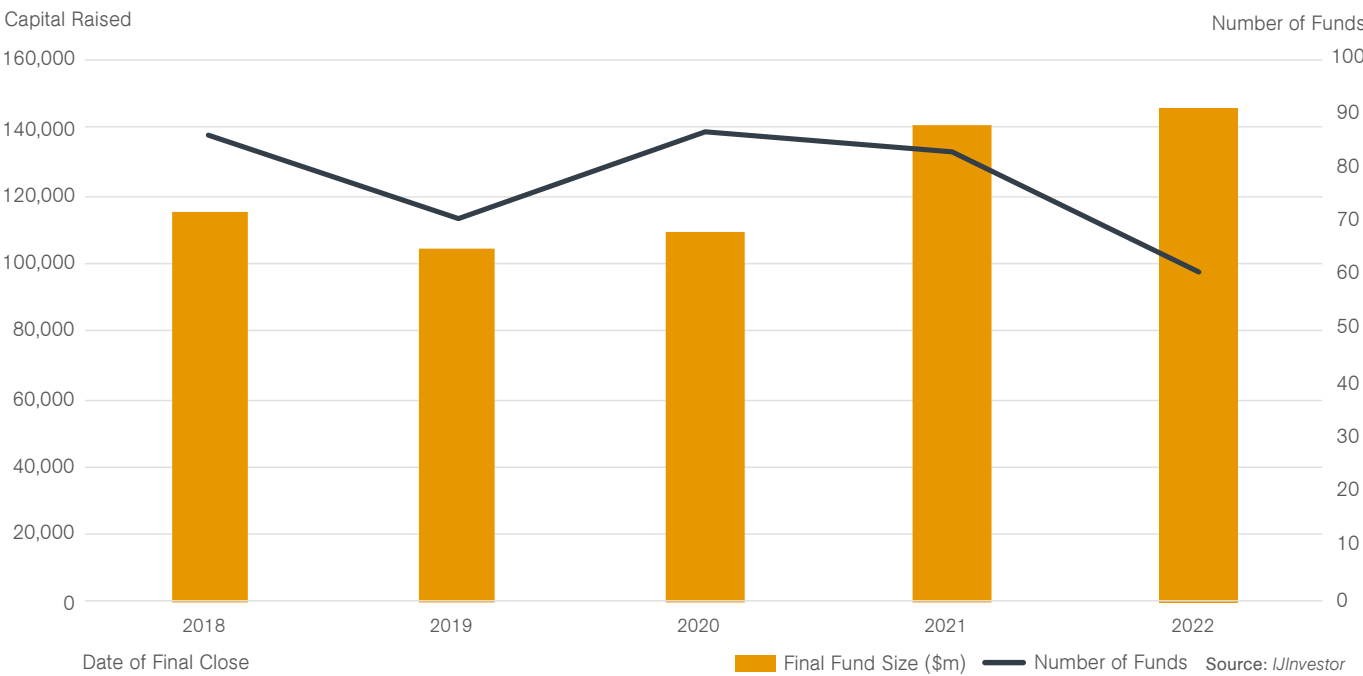
manager's fundraising accounted for nearly half of the target value of all the 10 biggest funds launched in 2022.

Renewables was the key sector the top 10 funds were targeting in the year, as were strategies involving transport and energy.

Fundraising was dominated by the 5 largest funds with concentration levels nearing 50%, which is similar to levels on a yearly basis last seen before the pandemic.

Equity vehicles were the most attractive strategy for LPs over the past year. Investors, however, have also been looking at diversified strategies. This is demonstrated by a significant push towards vehicles that combine the option for equity, mezzanine and senior debt, with this strategy totalling 15% of the investment pool. ■

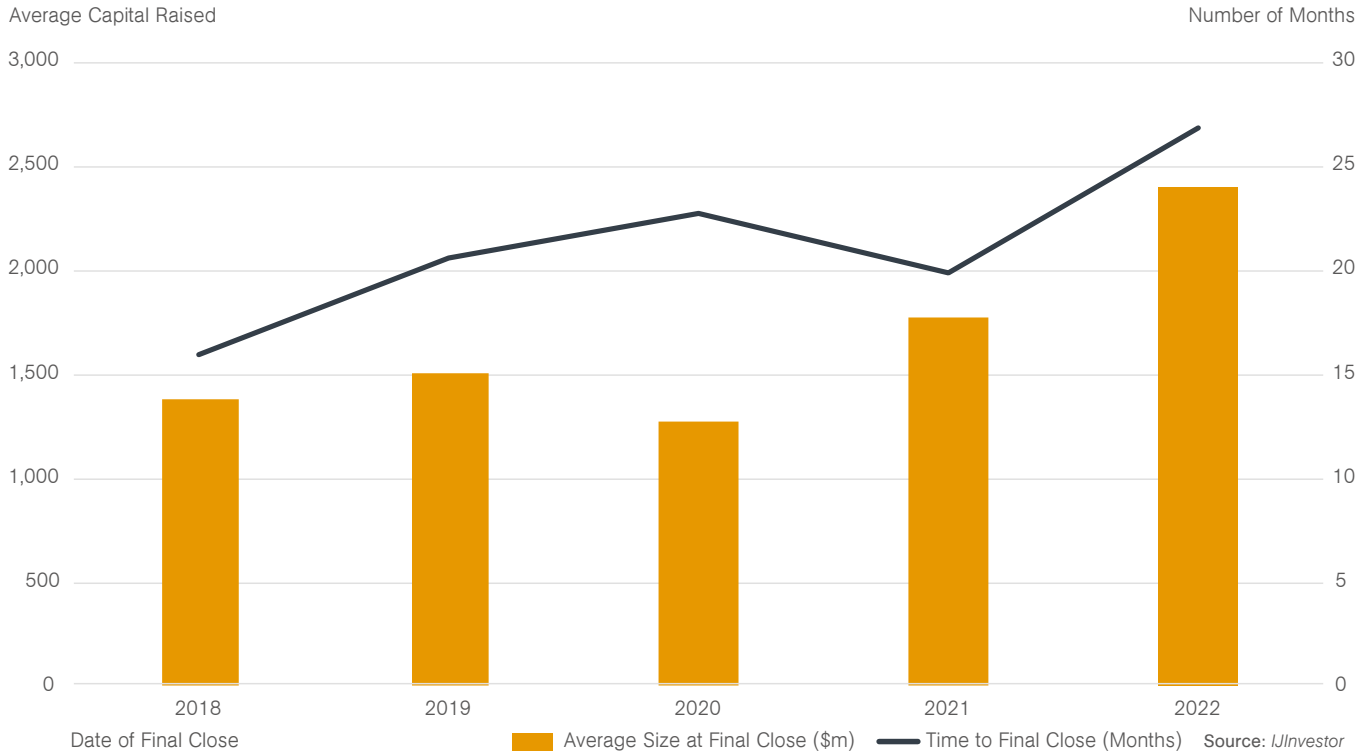
CAPITAL RAISED (\$m) & NUMBER OF FUNDS AT FINAL CLOSE



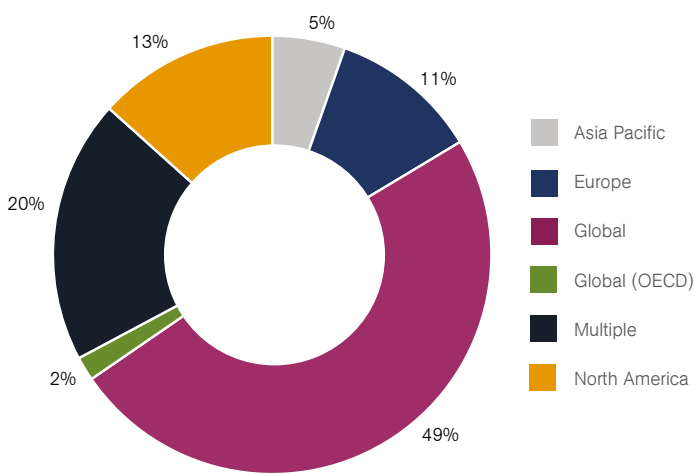


FUNDS REPORT

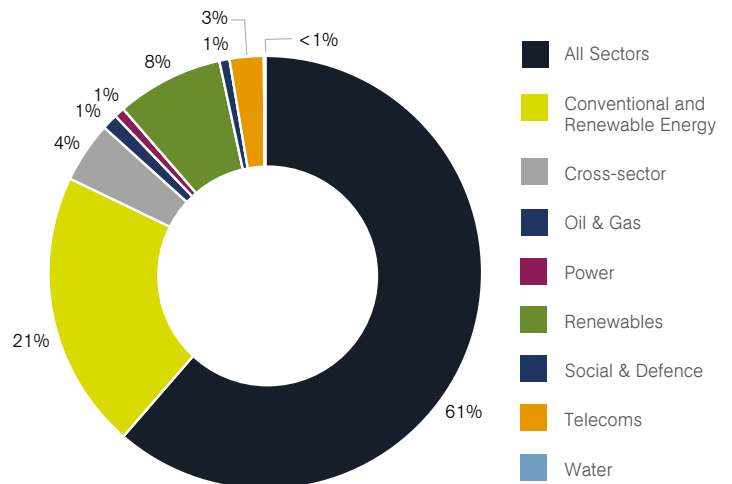
AVERAGE SIZE OF FUNDS (\$m) VS. TIME TAKEN TO FINAL CLOSE



CAPITAL RAISED AT FINAL CLOSE BY TARGET REGION - 2022



CAPITAL RAISED AT FINAL CLOSE BY TARGET SECTOR - 2022

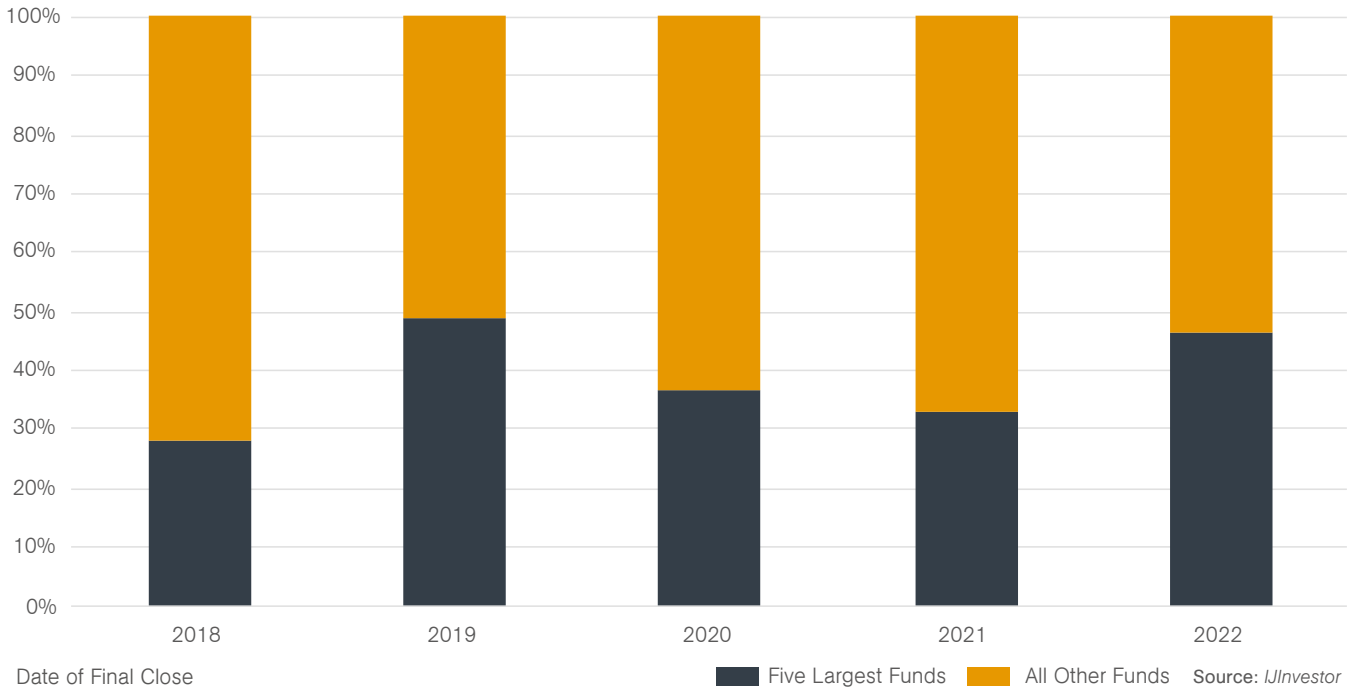




FUNDS REPORT

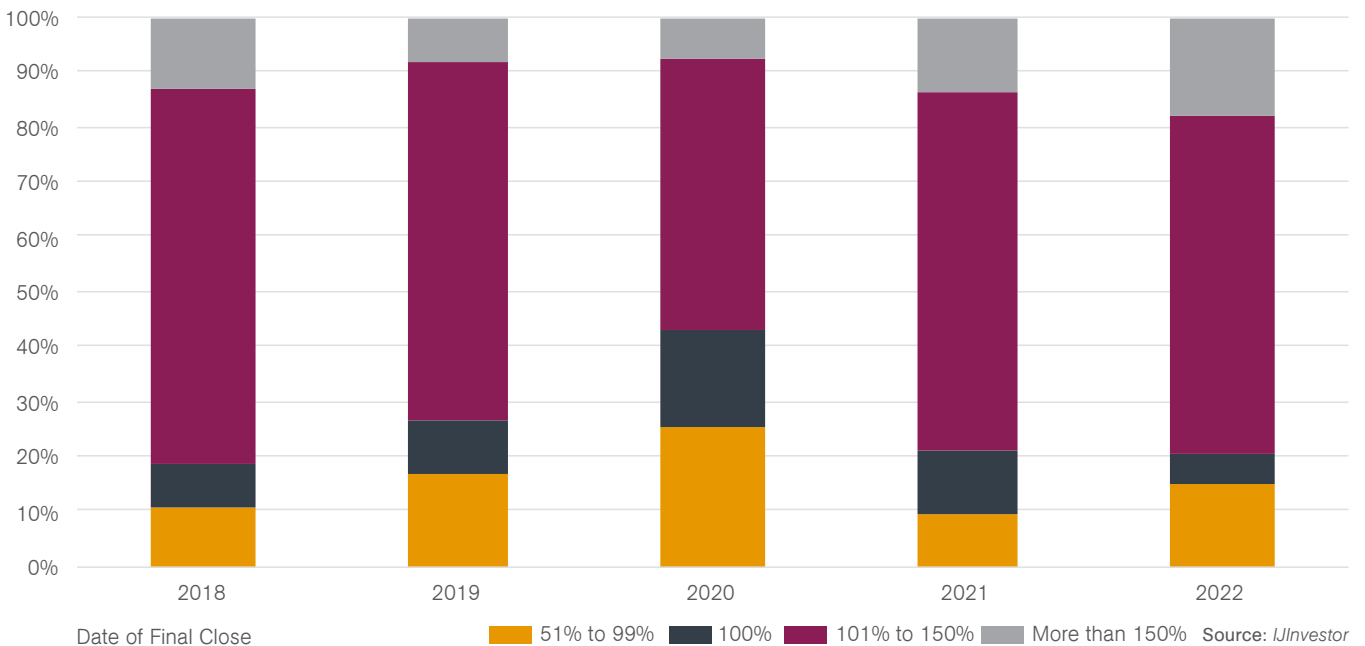
FUNDRAISING CONCENTRATION (%)

Percentage of Capital Raised



PERCENTAGE OF TARGET SIZE REACHED AT FINAL CLOSE

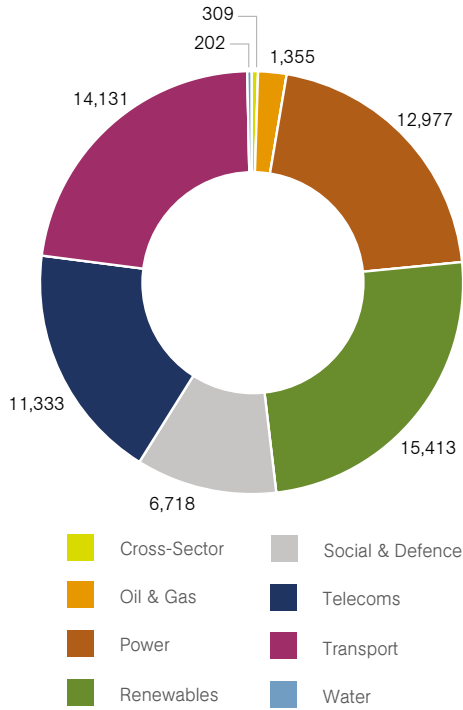
Percentage of Final Close Funds





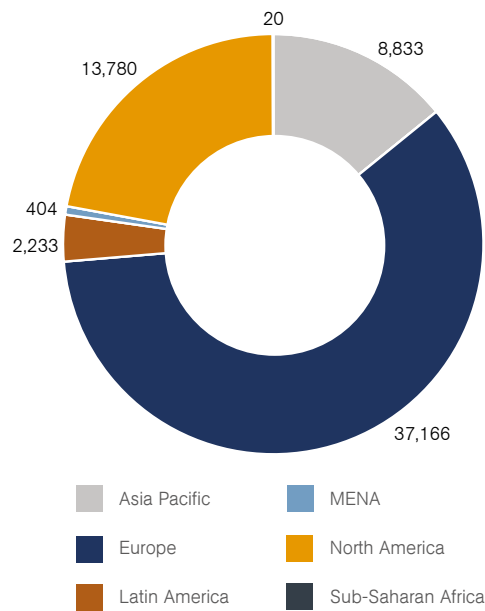
FUNDS REPORT

FUNDS IN M&A DEALS BY ACCREDITED VALUE (\$m) - SECTORS 2022



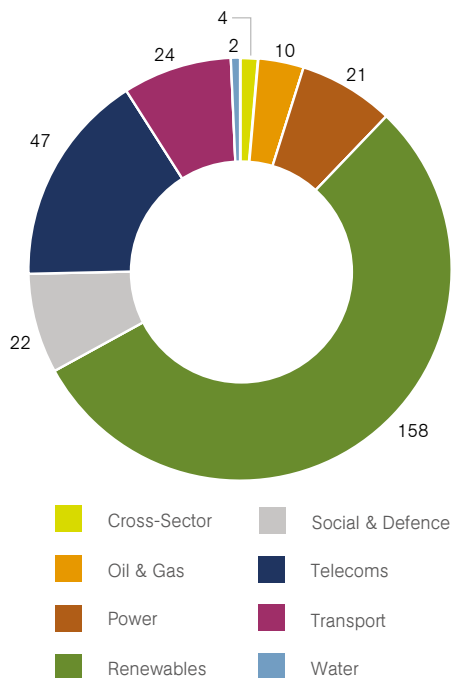
Source: IJInvestor

FUNDS IN M&A DEALS BY ACCREDITED VALUE (\$m) - REGIONS 2022



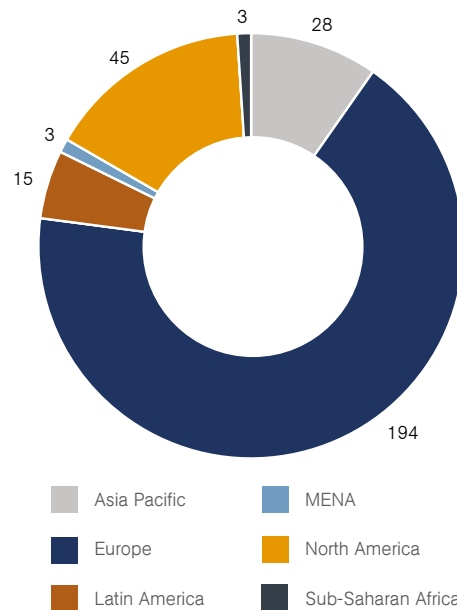
Source: IJInvestor

FUNDS IN M&A DEALS BY DEAL COUNT - SECTORS 2022



Source: IJInvestor

FUNDS IN M&A DEALS BY DEAL COUNT - REGIONS 2022

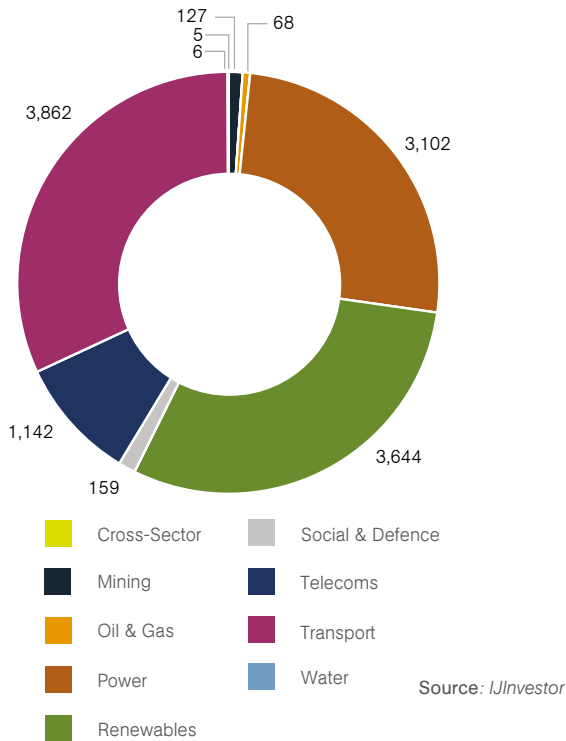


Source: IJInvestor

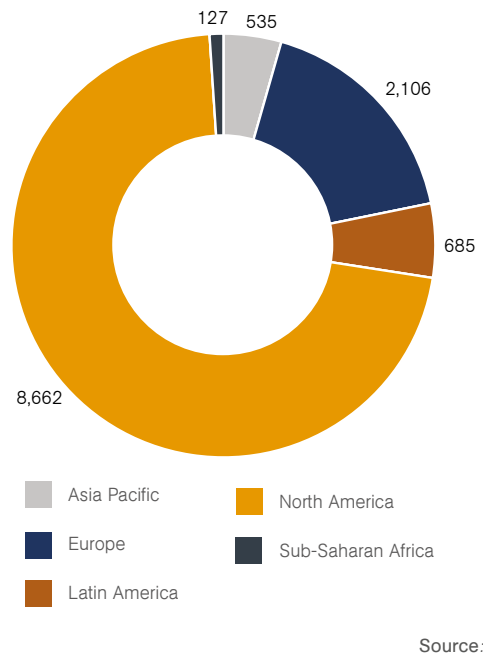


FUNDS REPORT

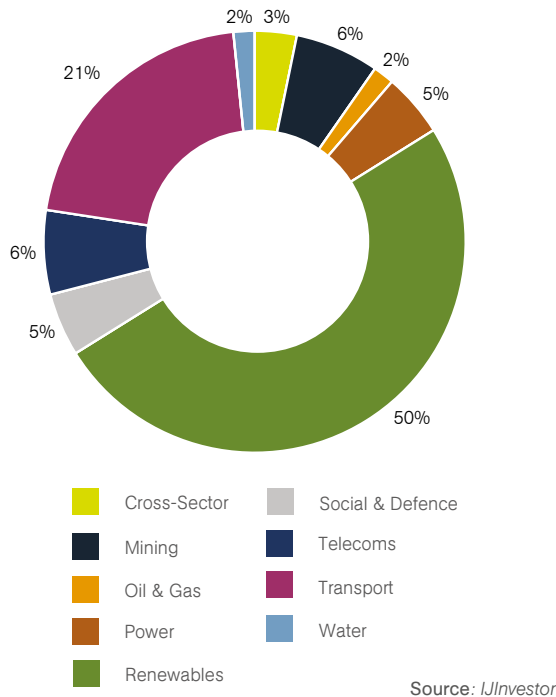
FUNDS IN PRIMARY FINANCINGS BY ACCREDITED VALUE (\$m) - SECTORS 2022



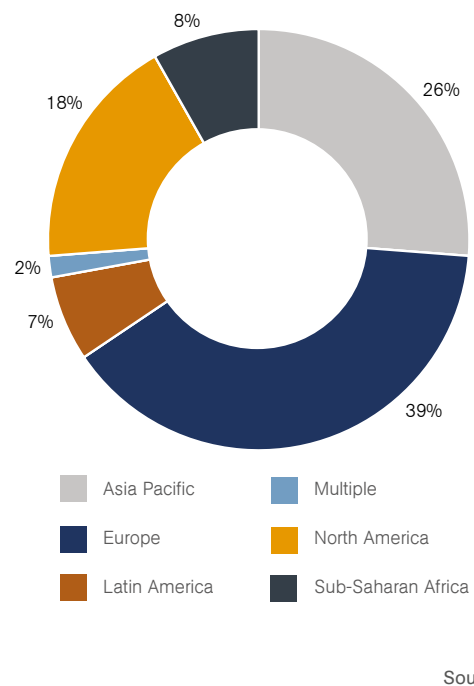
FUNDS IN PRIMARY FINANCINGS BY ACCREDITED VALUE (\$m) - REGIONS 2022



FUNDS IN PRIMARY FINANCINGS BY DEAL COUNT - SECTORS 2022



FUNDS IN PRIMARY FINANCINGS BY DEAL COUNT - REGIONS 2022





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M&A Report



M&A REPORT

M&A – infrastructure and energy

The M&A infra market maintained stable levels throughout 2022 compared with the previous couple of years, reaching \$542 billion. The number of deals, at 1,398, was the highest number in the past 5 years.

Company acquisitions were the largest portion of the deal type mix (\$336 billion), being almost twice the value of asset acquisitions (\$196 billion). Notably, privatisations almost doubled in value reaching \$9.5 billion, up from \$5 billion in 2021.

Europe was the most active M&A region with 649 deals and it was also the region with the highest total M&A value with \$174 billion.

Globally the sector with the most M&A value was Oil & Gas with a total value of \$109 billion while the most active sector by number of deals was Renewables with 649 deals.

Transport saw the most high value deals, accounting for 4 of the top 10 deals throughout the year. The highest profile

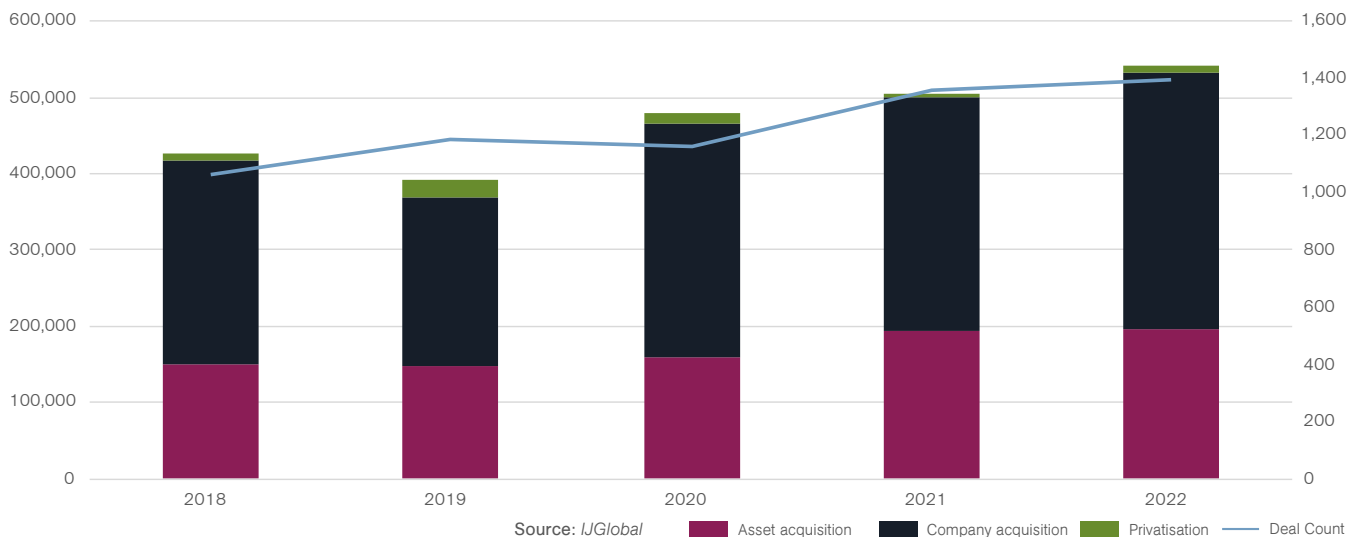
deal in the sectors was the \$23.4 billion Sydney Aviation Alliance's acquisition of Sydney Airport that closed in March.

The second largest transport deal was the €12.7 billion acquisition of Italian transport infrastructure company Atlantia, which reached financial close in December 2022.

In the Oil & Gas sector, the \$15.5 billion acquisition of 49% in Aramco's Natural Gas Pipelines by Blackrock-led investors was the highest profile deal of the year. ■

GLOBAL M&A 2018 - 2022

Value (US\$m)

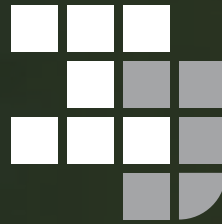


M&A TOP DEALS FY 2022

Rank	Transaction Name	Transaction Location	Transaction Sector	Transaction Value (\$m)	Financial Close Date
1	Acquisition of Sydney Airport	Asia Pacific	Transport	17,278	10/03/2022
2	Acquisition of 49% in Aramco's Natural Gas Pipelines	MENA	Oil & Gas	15,500	01/02/2022
3	Acquisition of CyrusOne	North America	Telecoms	15,054	25/03/2022
4	Acquisition of Atlantia	Europe	Transport	13,432	09/12/2022
5	Acquisition of American Campus Communities	North America	Social & Defence	12,800	09/08/2022
6	Acquisition of Switch	North America	Telecoms	11,000	06/12/2022
7	Acquisition of 88.06% in Autostrade per l'Italia	Europe	Transport	8,701	05/05/2022
8	Acquisition of AusNet Services	Asia Pacific	Power	7,269	15/02/2022
9	Acquisition of Bolloré Africa Logistics	Sub-Saharan Africa	Transport	6,047	21/12/2022
10	Acquisition of Equans	Europe	Power	5,998	04/10/2022



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League Tables Report



LEAGUE TABLES REPORT

Green shoots for greenfield

The coming year looks healthy for greenfield infrastructure finance as the primary sector reaps the benefit of the surge toward achieving energy security, with more traditional infrastructure being overshadowed... but still plodding along.

Looking around the world and focusing on project finance, 2022 proved to be a busy year for North America with a 45% increase in value for deals to have made it to financial close in the calendar year, jumping to \$242 billion compared to \$132 billion in 2021, while maintaining a similar volume.

Of the top 10 project finance deals globally, 8 were in North America – the largest being KKR and Global Infrastructure Partners’ \$15 billion acquisition of global data centre REIT CyrusOne.

Meanwhile in Q2 Venture Global LNG reached a final investment decision and financial close on its \$13.2 billion project financing for the Plaquemines LNG facility and related Gator Express pipeline.

Along with North America, Europe and Asia Pacific dominated project finance. In Europe overall activity and value dropped from 2021. Meanwhile, Asia Pacific saw a slight uptick in the value of project finance deals during the year.

The largest project finance deal of the year was IFM, AustralianSuper, Australian Retirement Trust, IFM Global Infrastructure Fund and Global Infrastructure Partners’ acquisition of Sydney Airport.

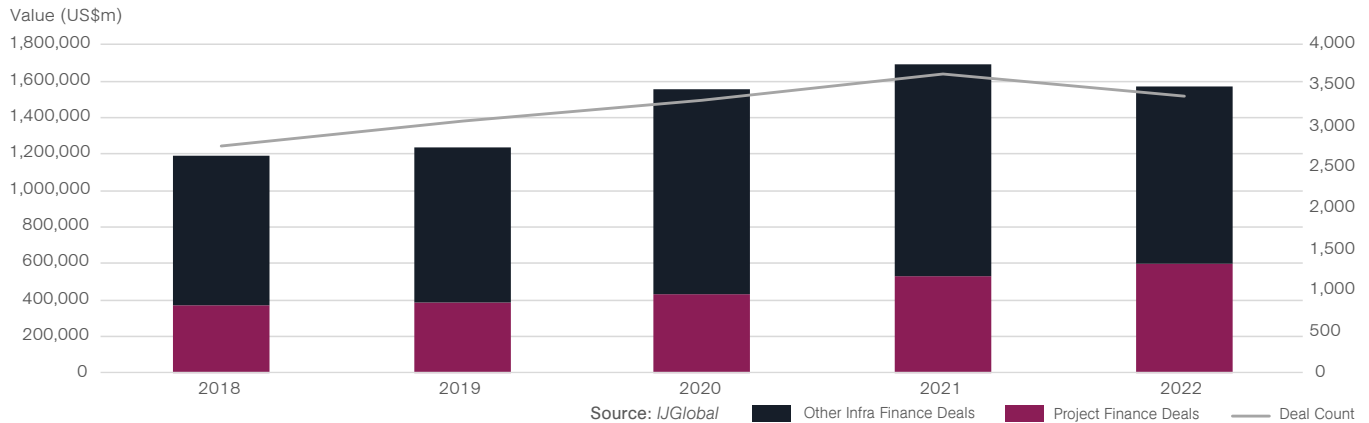
Sector wise in the project finance space all sectors, excluding renewables and O&G,

showed a rather large growth compared to 2021. Indeed, transport and telecoms had respectively a 58% and 43% increase from 2021 – with final numbers for 2022 coming in at \$149 billion and around \$82 billion.

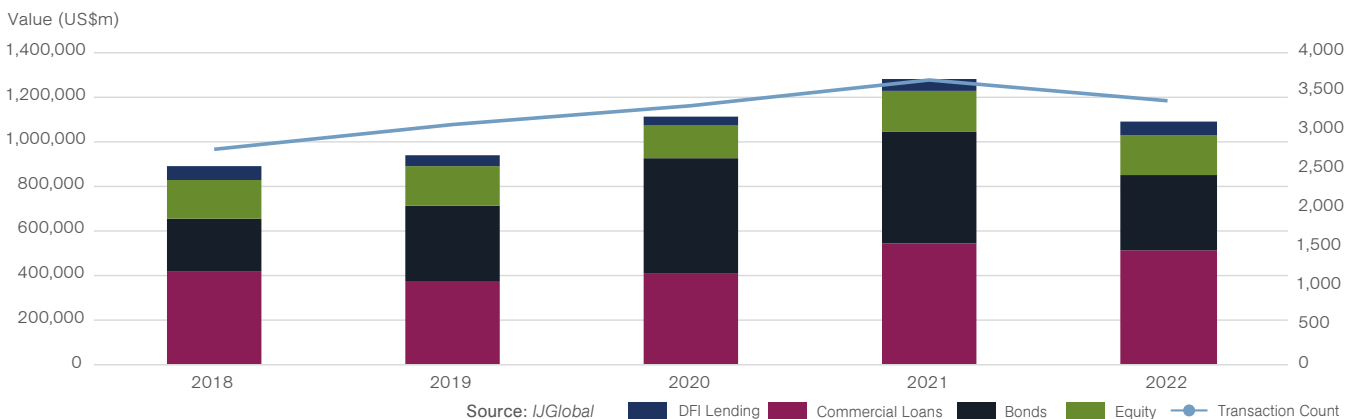
Despite the drop in Renewables and O&G, their average deal size remained relatively similar to 2021, with O&G even having an average of \$1.3 billion for this year in comparison to \$1.2 billion.

Regionally Sub-Saharan Africa, MENA and Europe dropped in terms of infra finance values – around 40% and 32% for SSA and MENA, and 12% for Europe. Although other regions performed in a similar fashion compared to the previous year, overall values and volume was slightly lower. The drop in SSA and Europe was due to a lowering of volume during the year. ■

GLOBAL INFRASTRUCTURE FINANCE VALUE (\$m) AND VOLUME 2018 - 2022



GLOBAL INFRASTRUCTURE FINANCE BY SOURCE OF FUNDING 2018 - 2022

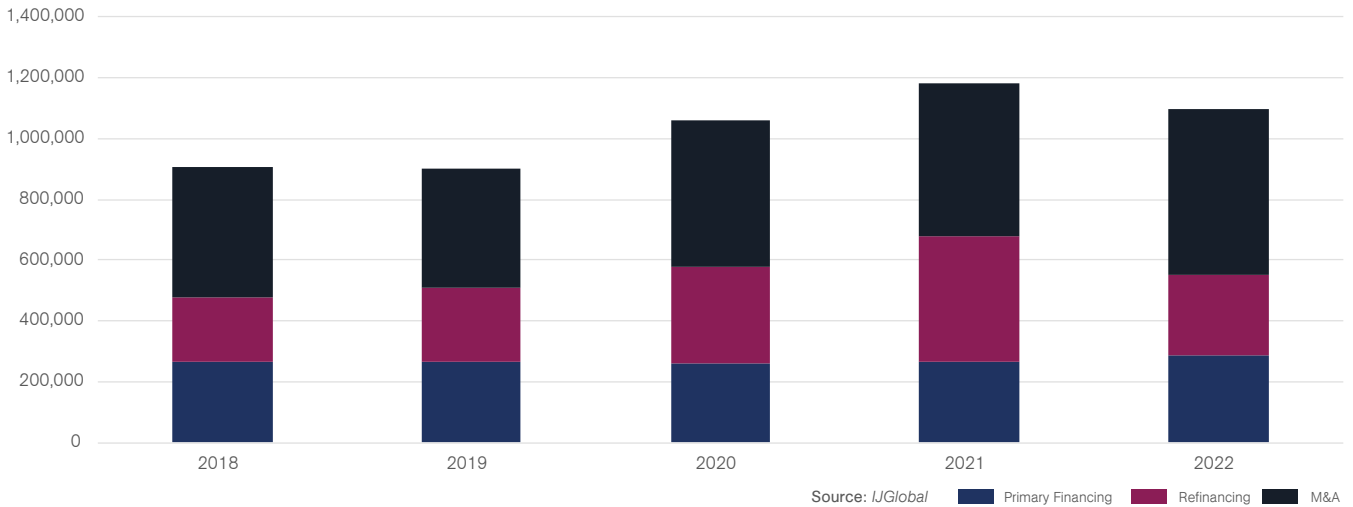




LEAGUE TABLES REPORT

GLOBAL INFRASTRUCTURE FINANCE BY FINANCING PURPOSE 2018 - 2022

Value (US\$m)



GLOBAL TOP 10 PROJECT FINANCE DEALS FY 2022

Rank	Transaction Name	Transaction Location	Transaction Sector	Transaction Value (\$m)	Financial Close Date
1	Acquisition of Sydney Airport	Asia Pacific	Airports	17,278	10/03/2022
2	Acquisition of 49% in Aramco's Natural Gas Pipelines	MENA	Midstream	15,500	01/02/2022
3	Acquisition of CyrusOne	North America	Data Centres	15,054	25/03/2022
4	Plaquemines LNG Export Facility Phase 1 & Gator Express Pipeline (43.4KM)	North America	Midstream, LNG	13,109	25/05/2022
5	Acquisition of American Campus Communities	North America	Education	12,800	09/08/2022
6	Trans Mountain Pipeline Expansion Additional Facility	North America	Midstream	10,000	29/04/2022
7	JFK International Airport New Terminal 1 Phase 1A PPP	North America	Airports	8,963	10/06/2022
8	On-Corridor LRT PPP	North America	Transit	8,765	14/04/2022
9	Golden Triangle Polymers Complex	North America	Petrochemical	8,500	16/11/2022
10	Corpus Christi LNG Phase 3 Expansion	North America	LNG	8,280	15/06/2022

GLOBAL TOP 10 INFRASTRUCTURE FINANCE DEALS FY 2022

Rank	Transaction Name	Transaction Location	Transaction Sector	Transaction Value (\$m)	Financial Close Date
1	Acquisition of Sydney Airport	Asia Pacific	Transport	17,278	10/03/2022
2	Acquisition of 49% in Aramco's Natural Gas Pipelines	MENA	Oil & Gas	15,500	01/02/2022
3	Acquisition of CyrusOne	North America	Telecoms	15,054	25/03/2022
4	Acquisition of Atlantia	Europe	Transport	13,432	09/12/2022
5	Plaquemines LNG Export Facility Phase 1 & Gator Express Pipeline (43.4KM)	North America	Oil & Gas	13,109	25/05/2022
6	Acquisition of American Campus Communities	North America	Social & Defence	12,800	09/08/2022
7	EDF Additional Facility	Europe	Renewables, Power	11,242	16/03/2022
8	Acquisition of Switch	North America	Telecoms	11,000	06/12/2022
9	Rogers Communications Bond	North America	Telecoms	10,421	21/03/2022
10	Gazprom Germania Additional Facility	Europe	Oil & Gas	10,287	22/06/2022

LEAGUE TABLES REPORT

GLOBAL

INFRASTRUCTURE MLAs - VALUE

Rank	Company		Value (\$m)	
	FY 2022	FY 2021	FY 2022	FY 2021
1	1	SMBC	23,012	23,545
2	4	MUFG	20,636	18,842
3	10	Santander	18,125	13,766
4	3	ING	17,785	19,442
5	5	Societe Generale	17,729	18,710
6	7	Credit Agricole	16,270	17,833
7	8	Mizuho	14,654	15,335
8	6	BNP Paribas	14,388	18,467
9	2	Natixis	13,439	20,137
10	11	HSBC	9,225	12,296
11	9	JP Morgan	8,663	13,883
12	32	Scotiabank	8,053	3,846
13	26	RBC	7,970	4,983
14	15	Bank of America	7,891	8,714
15	13	CIBC	7,813	9,693
16	18	Bank of China	7,616	7,300
17	14	Citigroup	7,496	9,114
18	19	BBVA	7,432	7,022
19	24	Barclays	6,287	5,276
20	12	Deutsche Bank	6,176	10,342

PROJECT FINANCE MLAs - VALUE

Rank	Company		Value (\$m)	
	FY 2022	FY 2021	FY 2022	FY 2021
1	1	SMBC	16,871	16,899
2	2	MUFG	15,912	13,081
3	7	Santander	12,150	8,900
4	4	Societe Generale	11,939	11,547
5	8	ING	11,507	8,325
6	5	Credit Agricole	9,844	9,472
7	6	Mizuho	9,362	8,949
8	3	Natixis	7,803	11,815
9	9	BNP Paribas	6,887	8,031
10	13	HSBC	5,757	5,221
11	11	CIBC	5,722	5,582
12	12	Bank of China	5,494	5,555
13	40	Scotiabank	4,972	1,843
14	20	BBVA	4,735	2,900
15	24	NordLB	4,507	2,697
16	42	Bank of America	4,319	1,695
17	22	KeyBanc Capital Markets	4,124	2,868
18	30	RBC	3,828	2,528
19	14	Intesa Sanpaolo	3,812	4,629
20	16	Standard Chartered	3,487	4,592

INFRASTRUCTURE MLAs - DEAL COUNT

Rank	Company		Deal count	
	FY 2022	FY 2021	FY 2022	FY 2021
1	2	MUFG	211	200
2	1	SMBC	191	226
3	6	Santander	169	176
4	4	ING	165	187
5	3	Societe Generale	157	198
=	5	Credit Agricole	157	178
7	8	BNP Paribas	131	148
8	7	Natixis	121	172
9	9	Mizuho	116	120
10	10	CIBC	79	97
11	11	HSBC	73	88
=	21	KeyBanc Capital Markets	73	53
13	18	Bank of America	69	56
14	30	Scotiabank	67	47
15	20	BBVA	66	54
16	16	Bank of China	63	64
17	22	Citigroup	62	52
18	23	NordLB	59	50
19	23	RBC	57	50
20	14	JP Morgan	56	69

PROJECT FINANCE MLAs - DEAL COUNT

Rank	Company		Deal count	
	FY 2022	FY 2021	FY 2022	FY 2021
1	2	MUFG	175	149
2	1	SMBC	149	177
3	4	Santander	130	125
4	3	Societe Generale	114	147
5	6	ING	108	113
6	5	Credit Agricole	104	123
7	9	Mizuho	84	89
8	6	Natixis	77	113
9	8	BNP Paribas	76	93
10	10	CIBC	56	66
11	16	KeyBanc Capital Markets	54	45
12	14	NordLB	53	49
13	26	BBVA	46	30
=	16	HSBC	46	45
15	15	Bank of China	45	47
16	18	Siemens	43	43
=	36	Bank of America	43	23
18	31	Scotiabank	39	26
19	35	CoBank	34	24
20	12	Rabobank	33	54



LEAGUE TABLES REPORT

EUROPE

INFRASTRUCTURE MLAs - VALUE

Rank	Company		Value (\$m)	
	FY 2022	FY 2021	FY 2022	FY 2021
1	5	Santander	11,267	7,881
2	3	Credit Agricole	10,394	9,688
3	1	ING	9,668	11,753
4	4	Societe Generale	9,374	8,106
5	2	BNP Paribas	9,346	10,846
6	6	Natixis	6,299	7,349
7	13	NatWest	5,395	4,657
8	10	SMBC	5,028	4,995
9	8	UniCredit	4,589	6,462
10	16	BBVA	4,416	4,490
11	19	MUFG	4,100	3,186
12	17	Intesa Sanpaolo	4,005	3,660
13	34	ABN AMRO	3,845	1,783
14	35	NordLB	3,753	1,714
15	12	HSBC	3,033	4,947
16	29	CaixaBank	3,025	2,309
17	22	Barclays	3,020	2,854
18	9	Deutsche Bank	2,826	5,028
19	20	Mizuho	2,583	3,160
20	26	SEB	2,501	2,629

PROJECT FINANCE MLAs - VALUE

Rank	Company		Value (\$m)	
	FY 2022	FY 2021	FY 2022	FY 2021
1	2	Santander	6,582	4,582
2	4	Credit Agricole	5,798	3,952
3	11	ING	5,636	1,947
4	5	Societe Generale	4,806	3,474
5	6	BNP Paribas	4,061	3,197
6	17	NordLB	3,428	1,680
7	9	Natixis	3,254	2,389
8	31	NatWest	3,056	943
9	15	BBVA	2,730	1,765
10	18	Intesa Sanpaolo	2,723	1,677
11	34	ABN AMRO	2,556	851
12	27	MUFG	2,545	1,011
13	7	UniCredit	2,021	3,069
14	10	SMBC	1,995	2,178
15	14	KfW-IPEX	1,786	1,797
16	21	SEB	1,741	1,275
17	20	CaixaBank	1,603	1,358
18	134	Aviva	1,402	53
19	72	Banco BPM	1,307	271
20	36	Lloyds	1,252	655

NORTH AMERICA

INFRASTRUCTURE MLAs - VALUE

Rank	Company		Value (\$m)	
	FY 2022	FY 2021	FY 2022	FY 2021
1	1	MUFG	11,233	7,843
2	3	SMBC	9,203	6,567
3	9	Mizuho	6,961	3,604
4	11	Bank of America	5,791	3,184
5	10	KeyBanc Capital Markets	5,335	3,414
6	6	ING	5,198	3,989
7	4	CIBC	5,183	6,011
8	13	Wells Fargo	5,026	2,930
9	7	RBC	4,964	3,961
10	8	Societe Generale	4,665	3,916
11	5	JP Morgan	4,545	5,813
12	34	Citigroup	4,217	1,023
13	2	Natixis	3,949	6,778
14	17	Santander	3,877	2,289
15	29	Goldman Sachs	3,866	1,258
16	26	Scotiabank	3,819	1,352
17	44	Bank of China	3,379	607
18	24	Truist Bank	3,294	1,431
19	21	CoBank	2,991	1,523
20	12	Credit Agricole	2,854	3,033

PROJECT FINANCE MLAs - VALUE

Rank	Company		Value (\$m)	
	FY 2022	FY 2021	FY 2022	FY 2021
1	1	MUFG	9,318	6,165
2	2	SMBC	8,610	5,405
3	8	Mizuho	4,816	2,261
4	4	CIBC	4,359	3,822
5	6	Societe Generale	4,345	3,116
6	5	ING	4,141	3,463
7	7	KeyBanc Capital Markets	4,124	2,868
8	20	Bank of America	3,430	1,192
9	13	Santander	3,375	1,922
10	44	Bank of China	3,316	392
11	23	Scotiabank	3,248	1,057
12	9	RBC	3,152	2,229
13	45	Goldman Sachs	3,142	362
14	17	CoBank	2,593	1,523
15	3	Natixis	2,587	5,336
16	10	Credit Agricole	2,296	2,179
17	53	Citigroup	2,235	284
18	16	HSBC	2,232	1,567
19	21	Wells Fargo	2,166	1,186
20	11	NBC	2,145	2,111



LEAGUE TABLES REPORT

APAC

INFRASTRUCTURE MLAs - VALUE

Rank	Company		Value (\$m)	
	FY 2022	FY 2021	FY 2022	FY 2021
1	1	SMBC	5,042	4,387
2	3	Mizuho	3,952	3,630
3	2	MUFG	3,578	3,812
4	12	ANZ Bank	3,176	1,482
5	8	Westpac	2,852	1,709
6	5	CBA	2,157	2,408
7	18	DBS Bank	2,075	1,101
8	9	Bank of China	1,945	1,697
9	6	Societe Generale	1,852	2,186
10	4	NAB	1,822	2,762
11	25	OCBC Bank	1,693	594
12	16	HSBC	1,647	1,197
13	7	Natixis	1,645	1,770
14	13	ING	1,632	1,319
15	17	Credit Agricole	1,497	1,124
16	11	BNP Paribas	1,249	1,535
17	22	ICBC	1,144	774
18	10	Standard Chartered	1,051	1,535
19	157	JP Morgan	1,024	19
20	66	KfW-IPEX	920	133

PROJECT FINANCE MLAs - VALUE

Rank	Company		Value (\$m)	
	FY 2022	FY 2021	FY 2022	FY 2021
1	1	SMBC	3,773	3,752
2	2	Mizuho	3,441	3,295
3	3	MUFG	2,925	3,054
4	10	ANZ Bank	2,487	1,257
5	9	Westpac	2,476	1,413
6	5	CBA	1,966	2,319
7	4	NAB	1,577	2,413
8	6	Societe Generale	1,527	1,889
9	15	HSBC	1,414	896
10	17	DBS Bank	1,216	811
11	7	Bank of China	1,196	1,596
12	12	Credit Agricole	1,167	1,063
13	8	BNP Paribas	1,121	1,440
14	16	Natixis	945	867
15	22	OCBC Bank	944	556
16	13	ING	903	1,002
17	21	ICBC	880	669
18	11	Standard Chartered	803	1,170
19	61	KfW-IPEX	697	133
20	24	Norinchukin Bank	657	538

LATIN AMERICA

INFRASTRUCTURE MLAs - VALUE

Rank	Company		Value (\$m)	
	FY 2022	FY 2021	FY 2022	FY 2021
1	4	Scotiabank	2,749	1,568
2	2	SMBC	2,661	3,314
3	1	Santander	2,431	3,380
4	10	BBVA	1,869	1,234
5	7	Citigroup	1,248	1,444
6	8	Natixis	1,047	1,441
7	3	MUFG	1,029	1,630
8	13	ING	1,025	1,093
9	6	Mizuho	939	1,447
10	14	Societe Generale	861	1,027
11	5	Credit Agricole	841	1,464
12	12	JP Morgan	788	1,139
13	18	Bancolombia	754	610
14	9	BNP Paribas	683	1,427
15	39	Banorte	484	130
16	11	Bank of China	479	1,186
17	16	Itausa	426	863
18	19	HSBC	394	597
19	58	UBS	387	54
20	32	Banco Sabadell	323	252

PROJECT FINANCE MLAs - VALUE

Rank	Company		Value (\$m)	
	FY 2022	FY 2021	FY 2022	FY 2021
1	1	SMBC	1,840	2,563
2	2	Santander	1,791	2,319
3	17	BBVA	982	370
4	11	Scotiabank	891	611
5	6	MUFG	804	904
6	3	Natixis	767	1,424
7	4	ING	690	1,006
8	10	Citigroup	612	675
9	12	Bancolombia	603	610
10	8	Societe Generale	571	745
11	14	Mizuho	469	585
12	21	JP Morgan	458	297
13	37	HSBC	371	75
14	5	BNP Paribas	355	908
15	9	Itausa	336	689
16	7	Credit Agricole	312	798
17	27	Banco Davivienda	299	206
18	13	DnB NOR Bank	283	595
19	20	Standard Chartered	251	298
20	24	ABN AMRO	250	264



LEAGUE TABLES REPORT

MENA

INFRASTRUCTURE MLAs - VALUE

Rank	Company		Value (\$m)	
	FY 2022	FY 2021	FY 2022	FY 2021
1	2	HSBC	1,828	3,519
2	4	Standard Chartered	1,559	2,682
3	1	SMBC	1,234	3,711
4	3	First Abu Dhabi Bank	993	2,960
5	10	Mubadala	851	1,997
6	7	Societe Generale	833	2,568
7	38	Gulf International Bank	798	275
8	27	Mashreq Bank	794	635
9	17	Riyad Bank	707	1,284
10	13	MUFG	695	1,735
11	21	Al Rajhi Bank	677	1,016
12	15	Bank of China	643	1,460
13	36	Al Ahli Bank of Kuwait	619	344
14	9	Credit Agricole	609	2,041
15	16	Saudi National Bank	542	1,415
16	22	Banque Saudi Fransi	541	932
17	12	BNP Paribas	540	1,945
18	50	Bank Muscat	535	67
19	11	JP Morgan	517	1,958
20	14	Citigroup	505	1,577

PROJECT FINANCE MLAs - VALUE

Rank	Company		Value (\$m)	
	FY 2022	FY 2021	FY 2022	FY 2021
1	2	HSBC	1,253	2,386
2	5	Standard Chartered	1,184	1,800
3	1	SMBC	809	2,430
4	13	Riyad Bank	707	1,076
5	18	Al Rajhi Bank	677	808
6	4	Mubadala	651	1,997
7	3	First Abu Dhabi Bank	618	2,027
8	7	Societe Generale	547	1,578
9	16	Saudi National Bank	542	1,040
10	21	Banque Saudi Fransi	541	632
11	41	Alinma Bank	504	113
12	14	JP Morgan	342	1,076
13	34	Deutsche Bank	333	230
14	29	Emirates NBD	326	344
15	10	MUFG	320	1,374
16	N/A	Scotiabank	291	N/A
17	19	Citigroup	280	694
18	12	Credit Agricole	271	1,151
19	9	Bank of China	268	1,460
20	44	National Bank of Bahrain	248	67

SUB-SAHARAN AFRICA

INFRASTRUCTURE MLAs - VALUE

Rank	Company		Value (\$m)	
	FY 2022	FY 2021	FY 2022	FY 2021
1	6	Standard Bank	589	617
2	31	Zenith Bank	270	33
=	N/A	Matrix Energy Group	270	N/A
=	N/A	Gulf Transport & Trading	270	N/A
5	N/A	UniCredit	261	N/A
6	16	FirstRand	239	165
7	3	Societe Generale	213	907
8	N/A	Sirius Petroleum	200	N/A
9	31	Mauritius Commercial Bank	192	33
10	9	Deutsche Bank	182	381
11	2	Barclays	179	1,002
12	1	Standard Chartered	163	1,164
13	13	NBSA	147	217
14	40	Citigroup	146	19
=	8	Credit Agricole	146	482
=	17	ING	146	158
17	21	Natixis	108	125
18	N/A	Bank of America	100	N/A
19	15	Investec	95	172
20	N/A	Momentum Metropolitan	87	N/A

PROJECT FINANCE MLAs - VALUE

Rank	Company		Value (\$m)	
	FY 2022	FY 2021	FY 2022	FY 2021
1	4	Standard Bank	589	617
2	2	Societe Generale	213	745
3	N/A	Sirius Petroleum	200	N/A
4	17	Deutsche Bank	182	141
5	3	Barclays	179	652
6	14	FirstRand	164	165
7	11	NBSA	147	217
8	28	Mauritius Commercial Bank	117	33
9	13	Investec	95	172
10	5	Standard Chartered	88	607
11	N/A	Momentum Metropolitan	87	N/A
12	N/A	Barak Fund Management	80	N/A
13	25	ING	71	44
=	36	Citigroup	71	19
=	N/A	HSBC	71	N/A
=	9	Credit Agricole	71	330
17	N/A	Ninety One	46	N/A
18	N/A	TriLinc Global	33	N/A
=	N/A	Iberian Minerals Corp	33	N/A
20	18	Natixis	33	115



IJInvestor Awards 2022



The infrastructure fund and M&A awards

Born from a desire to celebrate funds and M&A, the **IJInvestor Awards** have proved to be hugely popular, securing a place in the industry diary at a busy time of the year

IJGlobal has been celebrating achievements in the infrastructure fund and M&A community since launching IJInvestor Awards in December 2019, one of the last events to be staged before the world went to hell in a handcart.

The 2022 awards were celebrated in early December in London and there are plans afoot to host them this year in New York (for the Americas) and London (rest of world). The submissions portal for the 2023 awards will open this summer.

These awards recognise the successes of the infrastructure fund community as well as for those involved in infra / energy M&A over the course of the year, running from start April to end March.

From the first awards night staged just before the pandemic landed in Europe (December 2019) to the second physical event (virtual ones during Covid) at the end of 2021 as London teetered on the brink of another lockdown, IJInvestor Awards have lived a charmed life. Below we have all the company awards that were awarded on

the night and in the coming pages, there is a selection of write-ups for winners of particularly prestigious awards.

We pride ourselves of hosting what we believe to be the single most transparent and peer-review awards to be staged in the infrastructure and energy community.

All of the winners below were vetted by an established team of industry experts, all of whom have many years of experience of having worked at infrastructure funds or advised them on acquisitions and disposals.

We have exciting plans to evolve our awards and will be gathering industry experts – likely a good few of them from the judging panels from over the years – to advise us on how better to reflect market evolution and celebrate the developments that truly move the dial.

For now, we are building a head of steam for the December 2023 awards when we will squeeze the awards night into everyone's hectic Christmas schedules. ■



Company winners:

Asset Performance, EMEA
UK Energy from Waste – Enfinium

Debt Fund Manager, EMEA
BlackRock Global Infrastructure Debt

Direct Investor, Global
CDPQ

Equity Fund Manager, EMEA
Ardian Equity Fund Manager

Equity Fund Manager, Global
Brookfield Infrastructure

Financial Adviser, EMEA
Rothschild & Co

Financial Adviser, Global
DC Advisory

Impact Investor
Brookfield Global Transition Fund

Legal Adviser, Americas
Latham & Watkins

Legal Adviser, EMEA
Allen & Overy

Legal Adviser, Global
White & Case

Market Innovation, EMEA
Antin Infrastructure Partners
NextGen Fund I

Placement Agent
Campbell Lutyens

Technical Consultant, Global
Arup

Technical Consultant, Specialist
ERM

Market Innovation, EMEA

Antin Infrastructure Partners

The independent panel of judges chose Antin Infrastructure Partners NextGen Fund I as the winner of the IJInvestor Awards 2022 for Market Innovation in EMEA, with one describing it a “worthy winner”.

This was a challenging award to judge and the panel was faced with a slew of organisations having achieved interesting innovations throughout the IJInvestor Awards judging period – from start April 2021 to end March 2022.

One judge said of the Antin vehicle: “Although they haven’t made a huge number of investments – they have invested in something in the EV charging space – it is a fantastic thesis on which they have raised funding and is the next frontier of infrastructure and also allows them to play in smaller cheque sizes/developing assets.”

Antin in autumn 2021 launched its inaugural Antin NextGen Infrastructure Fund I which invests in the next generation of sustainable, scalable and connected infrastructure by investing in companies poised to become tomorrow’s key infrastructure.

Antin formulated the NextGen strategy over a number of years in the context of the overall market environment which is changing rapidly due to a combination of the advancement of technology, climate change, regulation and consumer choices.

The fund manager recognised early that significant capital and specialised expertise was needed to develop the next generation of infrastructure – and views the market as highly attractive, offering a deep and growing pool of investment opportunities.

NextGen will focus on tomorrow’s infrastructure opportunities, identifying businesses resulting from the rapidly changing market environment. Meanwhile, established infra is the focus of Antin’s flagship and mid cap strategies.

The NextGen Fund targets businesses that are immediately scalable but commercially less mature than those of Antin’s flagship and mid cap fund strategies, pursuing such opportunities at the stage immediately preceding widespread adoption, but after they have become significantly de-risked, and seeking to develop them into critical infrastructure assets of scale over the course of the ownership period.

NextGen does not invest in unproven concepts or pilot schemes. Rather, the focus is on selecting proven concepts and scale-up opportunities which are well positioned for success.

Investing in the next generation of innovative infrastructure requires a set of skills distinct from that required to invest in more established infrastructure.

The submission states: “Navigating the changing infrastructure landscape requires an ability to understand the social and political landscape that will dictate which businesses and technologies emerge as dominant, an understanding of the regulatory framework inside of which new initiatives will be developed, specialist knowledge to understand the technical and market opportunity of projects that may not yet have seen widespread commercial adoption and a deep knowledge of the principal investing landscape for next generation opportunities.

“As such, Antin has assembled a bespoke, cross-industry team to execute on the strategy as part of the Antin platform. The team members were selected by Antin for their relevant, highly-specialised and complementary skill sets.

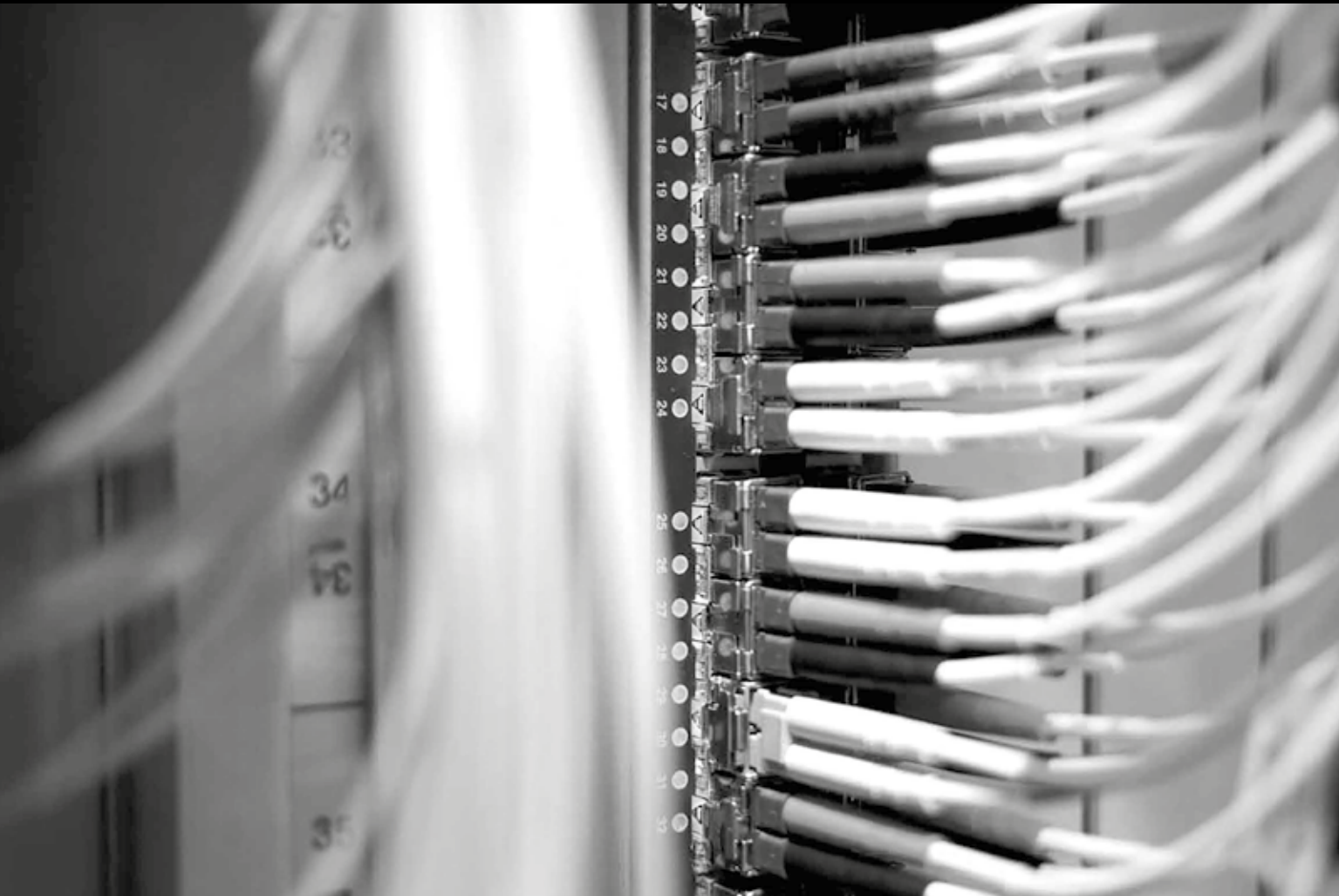
“The NextGen team members are united by their history of focusing on the cutting edge of their respective fields, identifying trends and capitalising upon opportunities before they are widely adopted.

“The team combines principal investment experience, extensive industry relationships and the ability to leverage past political and regulatory experience, making it well positioned to generate the forward-looking insights necessary for investing in the infrastructure of the future.” ■



Seeing potential | delivering value

Antin Infrastructure Partners is a leading private equity firm focused on infrastructure investments.



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Equity Fund Manager, EMEA

Ardian Infrastructure

Ardian Infrastructure was voted by the independent panel of judges to win the IJInvestor Award 2022 in the Equity Fund Manager category in the EMEA region, beating off considerable competition. At the time of submission, Ardian had \$21 billion of assets under management and since 2011 its team had made more than 60 investments.

It has completed a series of strategically important transactions in Europe and the Americas, becoming the second largest owner of toll roads in the world, an airport operator serving in excess of 74 million passengers per annum, and a renewable energy producer with more than 7.6GW of installed capacity.

However, it was Ardian's activity in Europe that dominated conversation at Judgment Day and led the panel to choose it as winner of the EMEA trophy, swayed in no little part by its involvement in the launch of Hy24, the world's largest clean hydrogen infrastructure investment fund.

Ardian and FiveT Hydrogen in October 2021 launched Hy24, a JV to manage the world's largest fund dedicated to low-carbon hydrogen infrastructure. Hy24's objective is to bring together international institutional investors and industrial companies to enable the scaling up of hydrogen projects and increase investment capacity in the sector globally.

Working alongside Mirova, CDPQ and Technip Energies, Hy24 invested €200 million in February 2022 in Hy2gen, a company producing e-fuels to decarbonise industry and transport. This is the largest private investment in green hydrogen to date.

That same month – February 2022 – Hy24 acquired a 30% stake in Enagás Renewable, a Spanish renewable energy-to-gas company with more than 50 projects. Then the following month – March 2022 (the final month in the IJInvestor Awards' judging period) – Hy24 invested €70 million in H2 MOBILITY alongside



existing shareholders Air Liquide, Daimler Truck, Hyundai, Linde, OMV, Shell and TotalEnergies... all of whom invested an additional amount of €40 million. H2 MOBILITY is one of the leading operators of hydrogen filling stations in Germany.

More than just hydrogen

Ardian was busy throughout the judging period, but the very end of it stands out for the fund manager acquiring 100% of Adamo for €1.1 billion (closing in March 2022).

Adamo is one of the fastest growing fibre optic operators and platforms in the market with more than 1.8 million homes covered, serving around 250,000 subscribers across 27 Spanish provinces.

Its strategy focuses on rural areas and is supported by an open-access wholesale business model. It was also Ardian's first investment in the telecom sector in Spain. Looking a little further north, but staying in Europe, Ardian has built a state-of-the-art wind farm in Härjedalen, Sweden, using the latest available technology. The 53x turbine project is now operational and supplies 286MW of energy to the grid.

The wind farm will generate 800GWh of green energy per year, corresponding to 156Kton of avoided CO2 emissions of fossil electricity generation. Åndberg Wind Farm is the cornerstone asset of Ardian's sustainable energy platform in the Nordics.

Fund launch / performance

During the judging period, Ardian launched its first open-ended fund dedicated to energy transition – the Ardian Clean Energy Evergreen Fund (ACEEF) – targeting €1 billion for its first investment cycle.

As an Article 9 fund under the EU's SFDR, it is a permanent, long-term investment platform entirely dedicated to financing clean energy.

Ardian has been a pioneer investor in essential infrastructure since 2005 with resilient performance. Out of the \$21 billion AUM in Europe and Americas, more than \$10 billion has been deployed over the last 6 years.

Leveraging strong industrial expertise, Ardian Infrastructure on a regular basis outperforms IRR. Over the 3 latest European generations, its funds present a blended IRR of 18% (gross performance as of 31 December 2021) and an average yield of 6% (average yield on Ardian Infrastructure flagship funds based on annual portfolio yield figures from 2015 to 30 September 2021).

According to the Ardian submission: "We are able to offer an LP-centred approach with recurrent co-investment proposals and side initiatives. Since 2011 we have realised over \$5.8 billion of co-investment and have had no loss ratio since 2007." ■

Outstanding Individual 2022

Gwenola Chambon

Gwenola Chambon – chief executive and founding partner of Vauban Infrastructure Partners – was chosen by the independent panel of judges to win the IJInvestor Awards 2022 trophy for Outstanding Individual.

One of the judges said: “Gwenola has built her career in infrastructure with tenacity and hard-earned experience. She is a role model to younger members of our sector and has earned this award with style. Her personality is all over Vauban and deservedly so.”

Another added: “She has built Vauban into the top-tier infrastructure asset manager it is today in a very competitive field, including a spin-off which has been very successful.

“Vauban established itself very early on as a sustainability and ESG leader within the industry and her leadership was instrumental in this. Her continuing contributions to push the broader industry to take a lead on ESG and sustainability topics are inspiring.”

Having launched her professional journey back in 1995, Gwenola has more than 25 years of experience in infrastructure equity investments across Europe and has developed an extensive knowledge and expertise of the European infra market, substantially contributing to its development.

She has worked on numerous landmark transactions including the first PPP project in Belgium in 2000 and a landmark transaction in Dutch PPP – the Hague waste and water project in 2003 – as well as the SKY NET PFI with the UK MoD in 2003.

Gwenola has worked as an adviser on many concessions and privatisation projects in France, Italy and Spain over the years and then transitioned into private equity investments.

Having joined Natixis IM (Mirova) in 2010, Gwenola transformed Natixis IM's general infrastructure platform from an initial activity dedicated to French greenfield infrastructure, managing captive funds from BPCE



group into a unique asset management platform, successfully managing several different strategies in parallel on the same geographies with greenfield funds and brownfield funds co-existing and investing in European transactions.

Gwenola became chief exec and founding partner of Vauban Infrastructure Partners in 2019, leading a successful spin-off of her infra team from Mirova and establishing a European leader in core infra equity investment and managing a team of around 70 individuals, some \$8 billion of AUM and more than 70 sustainable investments across Europe.

She has successfully turned this activity into a multibillion third party asset manager with a strong international client base.

As chief executive, Gwenola has driven Vauban's strong commitment to sustainability investments and promoting ESG issues at the portfolio company's level.

She has ensured ESG considerations are embedded in its internal practices through implementation of dedicated measures.

In addition to her responsibilities as director on the boards of various European infrastructure companies, Gwenola is a member of a number of industry groups including the European Commission working group of Experts in Infrastructure, the PRI expert group, the GRESB working group, EFAMA, and the AFG and AFIC working groups for infrastructure.

Gwenola is also an active member of the Institut de la Gestion Déléguée in France, while also serving as an active member of IFA (Institut Français des Administrateurs) and is responsible for project finance courses in ESSEC's Masters of Complex Financing.

She has embedded the motto of “leading by example” into her leadership practices and is broadly celebrated as a leading figure within this industry. ■



VAUBAN
INFRASTRUCTURE PARTNERS

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LONG TERM INVESTING, SUSTAINABLE VALUE

Vauban Infrastructure Partners is a leading Infrastructure Asset Manager focused on European core infrastructure investments which contribute to the sustainable development of local communities and their environments through long-term commitment to all stakeholders.



Vauban-ip.com



Climat
Transition Award
WINNER



ESG Award
WINNER



ESG Award
WINNER

Mobility | Digital infrastructure | Social infrastructure | Energy transition

Financial Adviser, Global DC Advisory

Compliments for DC Advisory at the IJInvestor Awards 2022 judging session tended to be something of a double-edged sword – admiration for an exceptional financial adviser... tinged with memories of having sat on the opposite side of the table.

However, the judging panel was (largely) of one voice at Judgment Day with one describing it as “an exceptional performer in this space” another celebrating it for having a “really good restructuring practice” and one pointing out that it had “more breadth” in its submission.

Whatever the view / experience of having worked alongside / against DC Advisory, there was considerable consensus that it was a worthy winner of the Financial Adviser Award in the Global category.

Over the course of the judging period, DC's infrastructure team completed 28 deals with a value of more than £12.8 billion (not including confidential values) across its 3 main products of sell-side, buy-side and debt advisory.

DC's win in the Global category is underpinned by the geographical spread of those transactions in the likes of Belgium, France, Germany, Japan, Norway, Spain, Sweden, the UK and the US.

One of the deals that caught the judges' eyes was the Evos and Oystercatcher refinancings where DC was engaged in the refi and inaugural financing platform for Evos, introducing majority bank with some institutional lenders to the business on a sustainability-linked basis.

DC structured a common terms agreement (CTA) platform that allows Evos to lock in favourable market constructs for the long term – for example percentage of capex allowed to be debt funded for all future issuances as well as reducing voting thresholds, increasing flexibility of amendments and easing the process of subsequent financings.



Simultaneously DC and EVOS utilised the permitted acquisition and debt language to raise financing to acquire Oystercatcher. This doubled the size of the financing ask and was integral to the successful acquisition, enabling Igneo to benefit from financing and operational synergies across both assets at the same time.

Further, DC advised Adiuva Capital on the sale of Goetel to Basalt Infrastructure Partners, undertaking an extensive mapping exercise of the bidder pool to admit only highly credible and deliverable bidders to the process, creating competitive tension from the outset.

Buyers' value drivers and concerns were identified and addressed early on in the process which improved the quality of NBO phase bids and resulted in a focused and

well competed binding offer stage. On the financing front, DC successfully raised more than £1.7 billion for the refinance of Cross London Trains.

Given the large debt requirement, it structured a government guaranteed medium term loan from bank lenders and a long term note from European institutional investors that took more risk of the continued usage of the fleet. The bifurcation of risk was key to attracting liquidity from investors across globe and resulted in a significantly over-subscribed and highly successful transaction.

DC went on to give several more examples of it having played a key role in supporting clients, more than justifying its success for winning the IJInvestor Financial Adviser Award in the Global category. ■

Making a difference



Telecom infrastructure



Utilities & district heating



Transportation



Concession-based & social infrastructure



Hybrid infrastructure



Energy & power



Proud partners with international renewable energy experts Green Giraffe.

Infrastructure deals between 2017-2022:

130

Recent transactions

Advised

on an equity capital raise and debt financing for the Riverside 2 EFW project

Advised

on its refinancing

Advised

on its acquisition of a significant stake in

Advised

on its joint venture with

Advised

on the acquisition of

Advised

on its growth capital investment in

Advised a Consortium comprising

on their acquisition of

Advised a Consortium comprising

on the acquisition of

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Technical Advisory, Specialist – ERM

The independent panel of judges was so impressed by the ERM submission for the overall technical advisory award that it elected to create a Specialist category to recognise its achievements.

As a result, ERM was voted winner of the inaugural IJInvestor Awards 2022 for Technical Advisory, in the Specialist category – celebrating the role it played in advising on emerging technologies.

The judges were impressed by the scale-up of ERM over the last calendar year and its activity during the judging period that runs from start April 2021 to end March 2022.

One said: “ERM has been involved in a range of impressive transactions and that should be recognised.” Meanwhile, another judge singled it out for praise based on “involvement at the cutting edge of swiftly-evolving infrastructure asset classes”.

The judges were impressed by ERM’s story having positioned itself as a sustainability consultancy, advising on more than 3,000 technical/ESG due diligence deals globally across infrastructure, private equity and corporate buyouts.

It has also evolved impressively in recent times having, in full-year 2021, acquired 4 consultancy firms with M&A expertise taking it up to 250 professionals in the energy and infrastructure space.

ERM has also built its own in-house platform for infrastructure advisory over the last 2 years comprising more than 25 leading professionals that were poached from established players in the space.

It has lured across some key players from Arup (Rish Chandarana, Riccardo Impiumi, Bernard Vaughan, Asad Rehman, Francesco Pizzutilo, Filippo Boselli) as well as from Mott MacDonald (John Seed, Jodie Akrill), Fitchner (Kerry Booth, Bob Davies, Tom Kitching).



A busy year

In full-year 2021, ERM acted as technical and ESG adviser to Macquarie on the acquisition of a portfolio of data centres as well as advising Energy Infrastructure Partners on its acquisition of a stake in Fluxys.

The submission states on the Fluxys deal: “The impact of the Russian war on Ukraine meant we modelled an entire reconfiguration of the pipeline flow directions to deal with this short-term shock, we also modelled scenarios whereby hydrogen blending and eventual hydrogen dedicated pipelines would follow.

“These scenarios helped EIP obtain green financing and ultimately strike a deal with a clear energy transition story.”

Overall, ERM and its group companies worked on more than 100GW of renewable energy deals in full-year 21, and closed 37 infrastructure transactions in 2022 with a total enterprise value of more than \$10.3 billion.

Over the judging period, ERM advised on deals across the energy, transport, social infrastructure and digital infrastructure

sectors working with the likes of Macquarie, Brookfield, CPPIB, KKR, Morgan Stanley, Infracapital and Igneo Infrastructure Partners.

While the IJInvestor Awards do not focus on ESG, the judges were particularly impressed by the ERM submission in this category.

The submission states: “ESG has become a key value driver in unlocking deal value through lower cost of capital. ERM has over 50 years of experience of integrating and measuring ESG performance for companies and financial investors.

“ERM has helped many of the world’s leading finance institutions define what ESG factors to include in their sustainable finance products. In FY21, ERM has advised on several notable transactions using innovative green financing including specifically Climate Bonds Initiative aligned Green Bonds.

“One of our clients for this was CDPQ who arranged Green Bonds for KKR’s acquisition of Contour Global. ERM provided a scorecard assessment of the transaction against CBI principles.” ■

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Low Carbon Transportation



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IJGlobal 
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Awards 2022



The true **infra/energy** ESG litmus test

In a world beset by greenwashing, *IJGlobal* cuts through the waffle to identify projects and organisations that REALLY walk the ESG walk

Launched in the teeth of the coronavirus pandemic having been a couple of years in the planning, late last year the IJGlobal ESG Awards celebrated its second birthday in style... the only way we know how to do these things.

Creation of the ESG awards was a labour of love, entered into by the IJ editorial team to create a platform that sought to celebrate infrastructure and energy organisations and transactions that genuinely make a difference.

IJGlobal each year gathers ESG experts – every one of them actively involved in this function at their organisations (infra funds, lenders, advisers, etc.) – to judge not just the organisations for their efforts to drive ESG agendas, but also the transactions, for the impact they have in this space.

The judges will not be impressed by just another wind farm or solar park, they

are looking for genuine actions taken by organisations that have embedded ESG into their DNA and can demonstrate (to the judges' satisfaction) that they truly deserve to receive an award.

The judging sessions for these awards have proved to be some of the most keenly debated of all the awards that *IJGlobal* hosts and the level of detail required to win an award is inspiring.

As with all the IJ awards, we pride ourselves on the peer-review process which – we believe – sets them apart for being the single most transparently-judged events, guided by experts in their fields.

The company winners highlighted below stand testament to the quality of the process run to determine winners in each of the categories. This effort is underpinned by a selection of winner write-ups in the following pages. ■



Company winners:

Technology Award – Energy

Hitachi Energy

Technology Award – Infrastructure

Arup

Legal Adviser

DLA Piper

Legal Adviser – Pro Bono

Norton Rose Fulbright

Legal Adviser – Emerging Markets

Webber Wentzel

Infrastructure Equity Investor

Ardian

Corporate Transition – Energy

Nordion Energi

Corporate Transition – Infrastructure

Scandlines

Financial Adviser – Americas

CIBCO

Financial Adviser – Europe

NatWest

Financial Adviser – APAC

DBS Bank

Excellence Award – EMEA

Ashurst

Excellence Award – APAC

DBS Bank

Infrastructure Bank

Societe Generale

Infrastructure Asset Manager – Debt

EDRAM

Environment

Vauban Infrastructure Partners

Governance

Vauban Infrastructure Partners

Social

DLA Piper

Technical Advisory

Arup

Corporate Fund

The Clean Hydrogen Infrastructure Fund

Excellence Award, APAC DBS Bank

DBS Bank was chosen by the independent panel of judges to win the prestigious IJGlobal ESG Excellence Award for the Asia Pacific region.

They were won over by the bank's efforts in recent times to build a dedicated team of originators, transaction management personnel, sales personnel and traders in Singapore, China, Hong Kong, Taiwan, London, Indonesia and India who focus on global distribution for Asian debt issues.

The DBS ESG advisory team works closely with issuers on the process and tools required to execute sustainable finance transactions. Its support includes helping issuers to develop sustainable financing framework, advising issuers on prevailing and emerging stakeholder views as well as ESG rating and managing the process in seeking external assurance/certification etc.

A primary reason for winning this award was DBS acting as the sole bookrunner for the National Environment Agency on the first SGD denominated green bond and largest

inaugural issuance by a statutory board. This involved a SGD350 million (\$244m), 1.67% 10-year green notes and SGD1.3 billion 2.50% 30-year green notes – which was also the longest tenor green bonds denominated in SGD to date.

DBS was also a bookrunner for Nanyang Technological University on the world's first publicly offered sustainability-linked bond by a university. This involved a SGD650 million, 2.185% sustainability-linked bond due 2036. It was the inaugural debt issuance by NTU, and the longest dated sustainability-linked bond in Asia Pacific to date.

The bank also acted as a joint lead manager and bookrunner for Sembcorp Industries on the issuer's maiden sustainability-linked bond issuance following the establishment of its sustainable finance framework in August 2021. This was a SGD675 million 2.66% 10.5-year sustainability-linked bonds due 2032 and it was the first sustainability-linked bond for the energy sector in Southeast Asia. The transaction was anchored by

the International Finance Corporation and marked the IFC's first investment globally as an SLB investor.

According to the DBS submission: "Our sales and syndicate team has wide-ranging access to a plethora of fund management companies, ranging from well-known investment funds to low-profile and well-backed private equity investors.

"We have an in-depth understanding of the requirements of the investors and can effectively communicate our clients' investment stories to investors. In both primary and secondary markets, DBS, with its ability to reach a wide network of customers throughout the region, is able to provide critical distribution capabilities over and above providing market liquidity, which allows issuers to access a broad spectrum of investors.

"DBS has been at the forefront of numerous ground-breaking transactions, a reflection of our established know-how in product structuring and our track record of linking Asian investors with issuers." ■





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ESG Financial Adviser Award - APAC
ESG Excellence Award - APAC





Corporate Transition, Energy Nordion Energi

Innovation and aspiration marked out Sweden's Nordion Energi as a winner in the Energy category of the IJGlobal ESG Corporate Transition trophy for 2022.

One judge said of Nordion Energi that it had "ambitious targets" which "make them stand out" and another saying it has "a good transition plan with some innovative elements" while another adds that it has a "diverse set of transactions" lauding it for "aiming to be first gas grid operator in Europe with 100% green gas".

Nordion Energi owns and operates Sweden's gas transmission network, as well as both gas and electricity distribution networks in southern and western Sweden.

It has set itself a goal to become the first gas grid operator in Europe with 100% green gas, and – to achieve this – it has developed a series of industry-leading initiatives in 3 key areas.

The first area of engagement is hydrogen having launched the Nordic Hydrogen Route in early 2022. This is a partnership

between Nordion and Gasgrid Finland to invest in the creation of a hydrogen economy in the Bothnian Bay region and – in the process – save up to 20 million tonnes of CO₂e per year and create up to 46,000 new green jobs by 2050.

Nordion is also committing to drive developments in carbon capture and storage (CCS) which includes CinfraCap. This is a unique collaboration that aims to make the Swedish city of Gothenburg the first in the world to create shared infrastructure for the transport, storage, and shipping of liquefied carbon dioxide.

On the biogas front, Nordion has made it possible for an increasing number of its customers to reduce their GHG emissions by increasing the proportion of biogas that flows through its networks, from less than 5% of all gas distributed in 2016 to 34% in 2021.

Nordion is also part of an innovative project planning a liquefaction plant at the Port of Gothenburg, for conversion of biogas from the gas network into liquid biogas (LBG). The final investment decision is being made

this year (2023) and the plant will be the first of its kind to be directly connected to the western Swedish gas network.

In 2021 Nordion set a target to achieve net zero emissions in its own operations by 2030, along with an interim target to reduce methane emissions by 35% by 2023 (compared to 2019). By the end of 2021, Nordion had already succeeded in reducing methane emissions by 31%, through improved maintenance, inspection and leak detection and repair systems.

These initiatives are all part of Nordion's strategic positioning as the go-to partner when it comes to Sweden's transition to a fossil-free energy system.

Nordic Hydrogen Route

Nordion in early 2022 partnered with Gasgrid Finland (the Finnish gas TSO) to launch the Nordic Hydrogen Route – a pioneering cross-border infrastructure initiative that aims to accelerate the creation of a hydrogen economy in the Bothnian Bay region.



The Bothnian Bay forms the northernmost part of the Baltic Sea, where the borders of Sweden and Finland meet. There is currently no major gas network infrastructure in the area. However, there is enormous potential for the production of green hydrogen using up to 48GW of wind power capacity in the bay, and distribution of that hydrogen as a fuel and feedstock to new and existing businesses on both sides of the border.

Nordic Hydrogen Route aims to unlock this potential with 65TWh of hydrogen demand expected annually for the Bothnian Bay region by 2050.

With Nordic Hydrogen Route, Nordion and Gasgrid Finland seek to develop a 1,000km network of new, dedicated hydrogen pipelines, which would transport hydrogen from producers to consumers, ensuring they have access to an open, reliable, and safe hydrogen market.

The infrastructure will connect customers such as hydrogen and e-fuels producers with steelmakers, fertiliser companies and other industries interested to develop new products and decarbonise their operations.

Nordic Hydrogen Route could facilitate emissions savings of up to 20 million tonnes of CO₂e per year by 2050, representing around 20% of the current combined annual emissions of Finland and Sweden. In the process, 25,000 new jobs could be created by 2030 and 46,000 by 2040 – many of them technical and highly skilled.

The initiative will require an investment of around €3.5 billion, offering hydrogen transportation at around €0.1-0.2/kg. This means Nordic Hydrogen Route could transfer energy up to 2-4 times more cost effectively than electric power lines.

The pipeline could also enable investments of 10x this amount (€37 billion) in wind power and electrolysis, in addition to other investments along the hydrogen value chains.

The Nordic Hydrogen Route was officially launched in 2022 with the Minister for Energy and Digital Development of Sweden and the Minister of Economic Affairs of Finland.

The first sections of the pipeline network are expected to be operational by 2030. By 2040, Nordic Hydrogen Route aims to link



Nordion is sub-project manager for CinfraCap which is a unique collaboration between Nordion and Göteborg Energi, Preem, St1, Renova, and the Port of Gothenburg

to a wider European hydrogen infrastructure, enabling exports of excess hydrogen production to other parts of the continent.

CinfraCap

CinfraCap is a unique collaboration between Nordion and Göteborg Energi, Preem, St1, Renova, and the Port of Gothenburg. The project aims to make the Swedish city of Gothenburg the first in the world to create shared infrastructure for the transport, storage, and shipping of liquefied carbon dioxide, obtained using CCS technology on an industrial scale.

CinfraCap was launched in 2020. Initial studies showed that the Port of Gothenburg could play a crucial part in transporting carbon dioxide captured from across Sweden to undersea storage.

In December 2021, CinfraCap received funding from the Industrilivet climate initiative at the Swedish Energy Agency to proceed to phase II.

Nordion is sub-project manager for this phase, together with Göteborg Energi, the 2 potential owners and managers of the CinfraCap infrastructure.

An in-depth feasibility study began in early 2022, aiming to estimate charges for the use of the various infrastructure facilities such as pipe transport, a liquefaction plant and intermediate storage, and to develop a workable business model for CinfraCap.

CinfraCap could help reduce Sweden's CO₂ emissions by two million tonnes/year, corresponding to about 75% of all emissions from domestic transport in the Västra Götaland region, or about 4% of Sweden's total emissions.

Once in place, the aim is for the infrastructure to be an open-access system, expanding its user base to other businesses in the area and increasing the potential CO₂ savings.

CinfraCap will complement a number of other R&D projects in the region, including Northern Lights, a full-scale carbon dioxide repository project off the west coast of Norway.

It is also hoped that similar initiatives will be inspired in other parts of the country. A further consortium in which Nordion Energi is participating has already been established in Skåne and Småland in southern Sweden. ■

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Infrastructure Asset Manager, Debt, **EDRAM**

The independent panel of judges was impressed by the Edmond de Rothschild Asset Management (EDRAM) submission based on clear demonstration of ESG principles... as well as identifying deals where it declined to be involved.

EDRAM won the IJGlobal ESG Infrastructure Asset Manager in the Debt category with an insightful submission that identified 3 transactions (all details confidential) where it walked away sensing the nature of the deals compromised ESG criteria.

This is a key component and future awards submitters would do well to take note. *IJGlobal* asks for this information (which is confidential) to be included as it sways judges to see not only what you have done... but what you have walked away from as it does not sit comfortably alongside your ESG principles.

One judge celebrated EDRAM's decision to be so open on strategic decisions, saying it was "good that they provided their deals declined" while also pointing out "it's great that they use CIARA" (Climate Impact Analytics for Real Assets).

Another judge said: "EDRAM has a sizeable portfolio and demonstrates impact with clear examples of how to implement ESG strategy ... I like the focus both on social and environmental". All of EDRAM's €4.6 billion AUM is either invested – or will be invested – responsibly in line with the ESG policy and procedures it has agreed with investors.

EDRAM's methodology and process have been reviewed by external experts as part of independent reviews for "green" certified funds and investor due diligence processes. For example its Bridge 2018 senior sub-fund, which reached full deployment

in this awards year, carries the French Government's "Greenfin" label requiring annual reviews by an independent auditor of the robustness of its methodology and appropriateness of its application.

At a practical level EDRAM has 4 members of the 12-person investment team allocated to the ESG working group, including an ESG officer and deputy – both of whom are investment directors demonstrating the seniority of resource allocated within the organisation.

A proprietary ESG review tool has been developed by EDRAM which applies exclusion criteria as well as a more qualitative assessment before a deal can be presented to credit committee. This is reviewed by risk management (Credit) and frequently made available to underlying investors.





All new sub-funds raised in the awards year are deemed Article 8 for SFDR purposes (SFDR EU Directive), promoting sustainability, and it works with external consultants to provide additional CO2 emission, 2 degree alignment and EU Taxonomy reporting. In 2021 it became a member of the UN PRI and in 2022 signed up to the International Climate Initiative (iCI).

According to the submission: "Our strategy for financing sustainable infrastructure means participating in the energy transition, but also in digital infrastructure, the modernisation of public services, mobility – particularly green mobility – and social infrastructure that meet both environmental and social sustainability efficiency criteria... for example in the fields of healthcare and education.

"At a platform level this has produced a portfolio with strong environmental and positive climate change attributes: 35% of our invested AUM is in renewables (28%) or assets powered by renewable energy (7%). This includes a recent focus on district heating projects with sustainable generation capacity.

"The portfolio delivers a strong social impact through investments such as care homes, public transport and education facilities. Our investments in digital infrastructure – especially fibre optic broadband – have provided essential connectivity within their communities throughout the Covid period.

"Governance remains a strong focus, with our proprietary ESG review tool requiring deal teams to conduct comprehensive reviews of the arrangements in place for each transaction."

Project Ares

Project Ares is an example of an innovative bilateral energy investment sourced, structured and executed by EDRAM and identified as a key deal for its ESG award submission.

Ares is a green bond financing of La Française de l'Énergie (LFDE), a French energy producer with a negative carbon footprint. LFDE's main activity is the capture of methane emissions (CH4) from abandoned coal mines in France and Belgium and to convert or monetise this gas into electricity, gas and heat sales under long-term regulated tariffs (feed-

in tariff in France or green certificates in Belgium) or long-term private contracts with local stakeholders such as industrial or municipalities willing to offer local and affordable green energy to surrounding communities.

On the ESG front, it was assessed as compliant with the ICMA (International Capital Market Association) Green Bond Principles via a second-party opinion by Ethifinance. The project has an important sustainability impact in terms of reducing greenhouse gas (GHG) emissions into the atmosphere.

This is particularly relevant given CH4 is considered by scientists to have 82.5x more greenhouse impact than CO2 over a 20-year period. The bond is enabling the construction and installation of a further 49.5MW of capacity by the end of 2022, representing 3 million tons of CO2 equivalent emission avoided annually.

EDRAM provided a holdco junior debt financing to support the development of the company and allow further expansion of this innovative approach supporting climate change adaptation and local energy production.

Project Nature

Project Nature is an example of a proprietary bilateral social infrastructure deal where EDRAM is sole lender, financing the communal infrastructure assets of an eco-holiday resort set within a 280 hectare nature park in Belgium.

The resort incorporates sustainability throughout and creates both a positive environmental and social impact.

The resort has impacted the local community by supporting 170 local jobs in the first phase of construction (expected to increase to 340 jobs) and more importantly, the company has set up an academy to train job seekers and people in under-resourced circumstances with no experience to give them an opportunity of employment.

Beyond that, local suppliers are used to maintain a short supply chain and keep a strong link with local businesses – 88% of companies used are Belgian and 94% are located less than 250km from the site. The nature park allows guests to focus on their mental health and wellbeing and

as a result of staying in nature and taking part in activities – such as yoga, sport and meditation – which has become increasingly important.

In addition to the strong social impact, the resort is focused on preserving the environment through several initiatives including: the lodges being 100% constructed out of wood from the forest nearby, installation of 3,173 solar PV panels and reintroduction and preservation of species subsidised by EAFRD funds on four hectares.

No excavations were made during construction to limit the effect on biodiversity as the site includes 2,500 listed trees, 36 animal species, 10 protected plant species, and 7 ponds. No cars are allowed on site and all transport is done by foot, bike or electric golf cart.

The project includes many eco-labels including DGNB (Deutsche Gesellschaft für Nachhaltiges Bauen) Silver/Gold, a German building certification which shows greater sustainability in construction; HQE (Haute Qualité Environnementale) Excellent, a standard for green building in France, all materials are EcoSure certified and in accordance with BREEAM standards, and the wood used in construction is from sustainably managed forests which is certified as PEFC (Programme for the Endorsement of Forest).

Sustainability is also embedded into the supply chain as companies need to commit to precise technical specifications for the protection of land, trees and biodiversity and adopt a charter of respect for the environment.

In addition, ISS ESG, a sustainable rating agent, has confirmed that the project makes a significant contribution to the UN's Sustainable Development Goal of 'Sustainable Cities and Communities' and also a contribution to the goal of 'Responsible Consumption and Production', highlighting the positive social and environmental impact of the project.

This project has innovated within its sector as even though competitor parks are showing signs of sustainability, they have less of a pronounced sustainability position whereas for this project, preserving the environment and helping the local community is a primary focus. ■

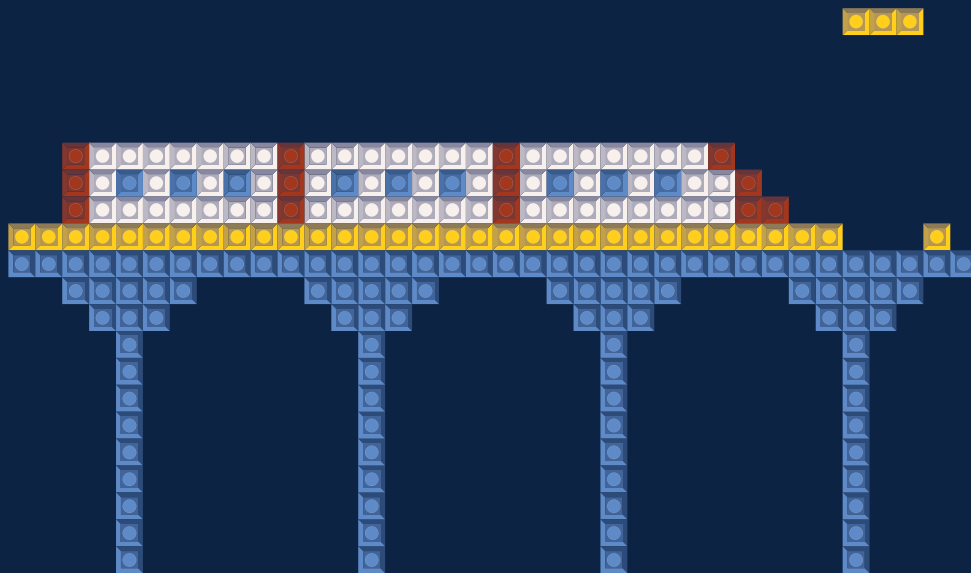


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Case Studies

Global Infrastructure Partners: Seizing the ESG opportunity

Formed from a marriage between Credit Suisse and GE in 2006, Global Infrastructure Partners (GIP) has long had a results-focused and data driven approach to EHS and ESG matters, by virtue of the team's industrial GE heritage, explains **Lucy Chadwick**, partner and head of ESG.

"Given the kinds of infrastructure we manage, strong and comprehensive ESG is necessary to create the social licence we need to operate as GIP, and equally, the management teams that run our assets," she says.

Perhaps because of this, the firm, which manages USD 87bn in assets, has been shortlisted for *IJGlobal's* ESG awards in the equity infrastructure investor category.

Chadwick herself is no stranger to the infrastructure sector, with 30 years' experience in transport and government. She advises all of GIP's Investment Committees, and sits on the boards of Italian high-speed train operator NTV Italo, Gatwick Airport in the UK, and Spanish natural gas and electricity utility Naturgy Energy Group, three GIP assets.

In response to the intensified focus on ESG and decarbonisation, GIP has "significantly expanded" its ESG team to eight executives and been vocal about the aspirations it has for its assets, she recounts.

"Fundamentally, given the sectors we invest in – investing and managing our assets through a decarbonisation lens is a key element of our strategy. We firmly believe that the attractiveness and value of our assets at exit will be increased if they have an ambitious decarbonisation plan and track record of delivering against it" she says.

Currently the vast majority of GIP's portfolio companies have market benchmarked decarbonisation plans, and report publicly on their ESG performance. The fund manager also monitors well over 100 ESG performance indicators across its portfolio, and reports annually to its investors in a standalone ESG report, providing portfolio-level climate risk and net-zero alignment analysis, asset-by-asset data disclosures as well as case studies.

GIP hasn't necessarily changed its investment practices to meet ESG goals, but rather has seen its target sectors become central to the energy transition, says Chadwick.

"When you look at energy, transport, water, waste and digital infrastructure, those markets have matured and new technologies such as carbon capture, energy and biofuels from waste, battery storage and hydrogen are coming onstream, yielding new commercial opportunities. We want to be at the forefront."

Over a third of GIP's investments across its flagship equity fund are in renewables. By contrast, this figure was 8% in GIP's second fund, GIP II, and a respective 38% and 36% in GIP III and GIP IV.

"There is an unprecedented transition towards decarbonisation and that's reflected in our most recent investments. We want to be ready as technologies mature, seizing opportunities early" says Chadwick.

ESG and returns go hand in hand

Across industries, investors and corporates face questions about whether prioritising ESG means sacrificing returns.

"We see our decarbonisation objectives as enhancing the value and marketability of our assets."

Through its existing funds, GIP has recently acquired offshore wind farm developer Skyborn Renewables; through a consortium with Meridiam and Caisse de Dépôts, GIP acquired French utility Suez, and recently expanded that investment with the £2bn acquisition of Suez UK; GIP acquired CyrusOne in a partnership with KKR in a deal estimated to be worth up to USD 15bn; and it completed a USD 2bn acquisition of Atlas Renewable Energy.

For GIP ESG is part of its long-term objectives to improve the credentials and exit value of its assets.

"We see the energy transition and ESG as value-creating and yielding entirely new opportunities for our businesses to seize upon," says Chadwick.

GIP continues to invest in liquefied natural gas as a transition fuel, increasing supply and accelerating the decarbonisation of coal and oil-based energy sources to meet a limited carbon budget, with three recent investments completed in Australia in the last 18 months, including Pluto Train 2.

With regard to new hydrogen, carbon capture and storage, and energy from waste, GIP is "very interested" in standalone opportunities, says Chadwick.

But "given the scale of the investments we make, most of that is through our existing portfolio companies," she points out.

For example, Naturgy in Spain and Scotia Gas Networks in the UK offer opportunities in hydrogen. Both, Chadwick explains, are trialling and supplying renewable gas such as hydrogen and biofuel into their gas distribution networks.

GIP has also gained exposure to carbon capture through its portfolio companies.

EnLink Midstream, for example, boasts 4,000 miles of pipeline infrastructure in Louisiana it is repurposing. The asset has signed agreements with ExxonMobil and hydrogen and nitrogen products manufacturer CF Industries to capture, transport and sequester carbon through its network.

"GIP's aim is to invest in high quality infrastructure assets aligning to key thematic trends, including the energy transition and the ESG tailwinds, and utilising our hands-on active management and ESG approach to drive investment outcomes" ■



EUROPE CASE STUDY

Austria's €2bn fibre investment, Europe

Over recent years Austria has been focused on closing its digital gap. *IJGlobal* reporter **Claudia Preece** takes a look at Meridiam and Deutsche Telekom's \$1 billion contribution to the efforts.

Austria has ambitious goals for its fibre roll-out across rural regions, with Meridiam lined up to play a significant role in the financing of that programme having secured its position in August 2022 as a joint venture partner to work alongside Magenta Telekom.

Together the JV partners plan to invest more than €1 billion (\$979m) each into Austrian fibre by 2030.

This is an exciting time in the Austrian fibre space with investment in greenfield development on the rise as the country's government continues with its official "broadband strategy".

With this newest injection, Magenta's fibre-to-the-home (FTTH) roll-out is set to connect more than 650,000 new homes and businesses by 2030.

Meridiam's partnering with Magenta has been well received by the market as it is poised to drive investments at pace.

As a Magenta spokesperson says: "Magenta is well positioned in the Austrian market with already 1.5 million homes passed on its Docsis fibre-coax gigabit network and with the outlook for another 1 million homes".

Fibre in Austria

Austria has a broadband strategy in place (adopted in 2019) which is focused on nationwide coverage and supply of Gigabit connections – both fixed and mobile – by 2030.

It includes 5 phases (some historic) with clearly defined goals:

- Phase 1 – full-coverage of ultra-fast broadband connections by the end of 2020
- Phase 2 – market launch of 5G in all capital cities by the end of 2020
- Phase 3 – Austria as 5G pilot country until the beginning of 2021

- Phase 4 – 5G services on major traffic connections by the end of 2023
- Phase 5 – nationwide Gigabit connections, including Austria-wide coverage of 5G by the end of 2025

The network roll-out plans are expected to be market-driven and, according to the EU Commission, "intends to confine the use of public funds to where they are absolutely necessary, in particular, for areas with the least chance of benefiting from private sector investments".

Magenta

Magenta was created in 2019 through the merger of T-Mobile Austria and UPC Austria – the latter of which was sold to T-Mobile Austria by UK-based Liberty Global in 2017.

Magenta – part of Deutsche Telekom – has a large fibre network servicing more than 1.5 million households with gigabit-



Austria has ambitious goals for its fibre roll-out across rural regions, with Meridiam lined up to play a significant role in the financing

EUROPE CASE STUDY

capable fixed broadband in Austria. It generated sales of around €1.35 billion in 2020 and had an EBITDA of €486 million at the end of the 2021 financial year.

In total, Deutsche Telekom covers 5 continents (Europe, Africa, Asia, and the Americas) which according to its website amounts to a combined:

- 248 million mobile customers
- 26 million fixed-network lines
- 22 million broadband lines

Meridiam in Austria

Meridiam has an established track record of investing in Austria in a range of sectors since 2005.

Its first involvement in the country was as mezz lender into the Ostregion A5 motorway just outside Vienna which made it to financial close at the end of 2006. The PPP project was procured by Asfinag and the construction and operation team was led by Hochtief, Alpine Meyreder and Egis Projects.

Most recently in the fibre space, in December 2021, Meridiam was awarded the 50-year DBFOM contract to roll out fibre networks in Liezen – a municipality in the Austrian federal state of Styria – committing more than €150 million to deliver high-speed internet.

According to the company “all of Meridiam’s projects in this space focus on connecting under-served people to high quality internet with the ambition of closing the broadband gap between communities and the most globalised and digitalised urban centres. All projects are implemented in close cooperation with local municipalities and with close regard for the needs of the community”.

When the investment in Magenta was announced, Stephan Wehrmann, business development director at DACH Meridiam, said: “Meridiam has a commitment to deliver sustainable infrastructure that

Stephan Wehrmann



“We look forward to working with Magenta and the local communities to develop this essential infrastructure, provide access to high-quality internet, and make a long-lasting positive impact on society.”

improves the quality of people’s lives. The strategic partnership with Magenta to bring fibre to over 650,000 homes and businesses underlines that commitment to the Austrian people.

“We look forward to working with Magenta and the local communities to develop this essential infrastructure, provide access to high-quality internet, and make a long-lasting positive impact on society.”

The transaction

IJGlobal exclusively revealed in March 2022 that Magenta Telekom – part of Deutsche Telekom – was seeking a 50:50 JV partner

to fund its fibre roll out across rural Austria, focused on rural areas and medium-sized towns.

The Vienna-based company mandated Deutsche Bank to handle the process and first bids were submitted back in March (2022).

Macquarie and Antin Infrastructure Partners were rumoured to have taken a close look at the deal, but Meridiam was the ultimate winner.

This latest investment by Meridiam more than doubles its capital deployed in the digital fibre infrastructure sector to more than €1.7 billion in 2 years.

According to a source, Meridiam became aware of the asset at the start of 2022 and made the investment via its Meridiam Sustainable Infrastructure Europe IV (MSIE IV). This is Meridiam’s fourth generation European flagship fund, which reached its hard cap of €2.3 billion in September 2021.

Following close, a total of €2 billion will be contributed to Magenta’s gigabit expansion (€1 billion from Magenta itself).

The future

Speaking to IJGlobal, Magenta has confirmed that the next step will be the first community roll-outs in rural municipalities in Austria.

The plan is that through Magenta’s continued gigabit internet expansion, by 2030 60% of all households and businesses in Austria will be gigabit-enabled – more than 2.5 million premises.

At the time Meridiam’s investment was announced, Magenta Telekom chief executive Andreas Bierwirth said: “Together we are turning the Alpine Republic into a digital republic. As Magenta, our clear strategy is to expand our position as the leading high-speed network provider.

“After we have upgraded our existing network to 1 Gbit/s throughout the country in recent years, we will focus fully on the expansion of the networks in the coming years.”

He continued: “We are expanding directly and immediately without a minimum number of customers who have to sign a preliminary contract, so we are bringing high-performance internet to the regions faster.”

Dominique Leroy, member of the board of management for the Europe segment of Deutsche Telekom, added: “Austria is a very important market for Deutsche Telekom and today we are writing the next chapter: the largest private fibre initiative in Austria to date. This is great news for customers, mayors and partners in Austria.” ■



The strategic partnership with Magenta will bring fibre to over 650,000 homes and businesses



EUROPE CASE STUDY

CityFiber's £4.9bn debt facility, UK

CityFibre, a relative newcomer to the FTTH sector and currently positioned as the country's largest open access fibre only operator, has had an impressive run over the past decade. But its rapid expansion streak appears to have hit an inadvertent snag when confronted with the UK's fragmented digital infra strategy. *IJGlobal* senior reporter **Maya Chavvakula** investigates.

CityFibre has recently taken centre stage over the trials and tribulations surrounding its latest £4.9 billion (\$6.1bn) debt facility on which flex was called after a failed syndication.

The deal is back on the market with revised terms but "ultimately not sweet enough" to compensate for the apparent risk, which could result in lenders dragging their feet once again, according to market sources.

Promising start

CityFibre was founded in 2011 and is headquartered in London. The company is owned by a consortium of:

- Antin Infrastructure Partners
- Goldman Sachs Asset Management
- Mubadala
- Interogo Holdings

The company grew at pace over the past decade, establishing a presence in more than 60 towns and cities across the UK.

It established connection to in excess of 2 million homes as of September 2022, some 25% of its wider goal to reach 8 million households by 2025.

The fibre expansion will see connections rolled out to 800,000 businesses and 400,000 public sector sites across the UK reaching more than 285 cities, towns and villages. It will also include 250,000 5G access points. This transaction will also allow CityFibre to participate in the UK government's Project Gigabit initiative – which aims to bring full fibre access to rural areas in the UK.

No-brainer debt package

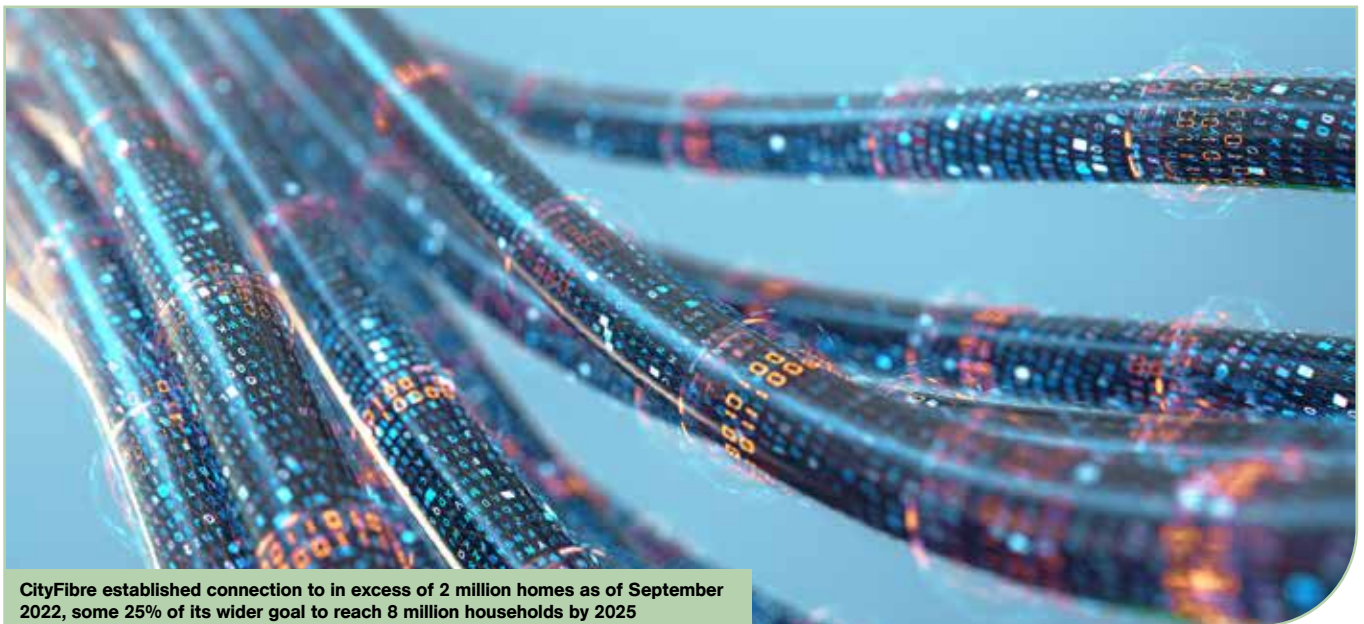
CityFibre last June (2022) raised a £4.9

billion underwritten financing package intended to refinance existing debt with an additional capex facility to fund its expansion plans.

The package includes £3.9 billion in committed facilities and a £1 billion accordion, all of it underwritten by:

- BBVA
- Crédit Agricole
- ING
- Intesa Sanpaolo
- NatWest
- SEB
- Societe Generale

Three lenders from previous facility – ABN Amro, Lloyds Bank, M&G Investments – participated in the new package, which was arranged across 6 tranches – 5 for committed facilities and 1 accordion.



CityFibre established connection to in excess of 2 million homes as of September 2022, some 25% of its wider goal to reach 8 million households by 2025

EUROPE CASE STUDY

The 5 tranches for £3.9 billion committed facilities all have 7-year tenors and include:

- refinancing facility – £1.2 billion
- capex facility – £2.3 billion
- revolving facility – £150 million
- UKIB tranche – £200 million
- M&G's bullet prepayment (series A noteholder) – £51 million

The refinancing, capex and revolving facilities were arranged by 9 lenders:

- ABN Amro
- BBVA
- Crédit Agricole CIB
- ING
- Intesa Sanpaolo
- Lloyds
- NatWest
- SEB
- Societe Generale

ABN and Lloyds (as MLAs) came in as small ticket holders on all 3 tranches, with the rest split “fairly evenly” among the underwriters.

Pledges for the £1 billion accordion came from 11 lenders:

- ABN Amro
- BBVA
- Crédit Agricole CIB
- ING
- Intesa Sanpaolo
- Lloyds
- NatWest
- SEB
- Societe Generale
- UKIB
- M&G

The debt terms agreed to last year (2022) were understood to be favourable to the borrowers, with the underwriters confident in their ability to farm down.

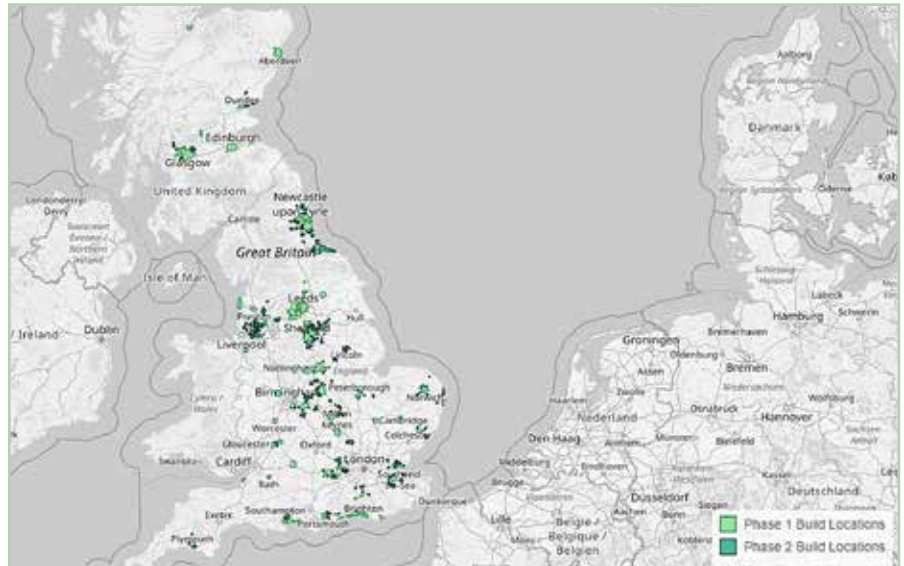
First signs of trouble

The CityFibre underwrite closed hot on the heels of the oversubscribed €1.6 billion debt package for Obelix FTTH deal in France, leading lenders to hope for a similar result on the UK deal.

The market was receptive to CityFibre when syndication first launched, bolstered by the calibre of the underwriters who were hoping for a quick turnaround.

The syndication was formally launched on 23 June 2022 and the MLAs were given a sell-down presentation in early July. The underwriters hoped to close the process before August, with plans for holds of no more than £100 million each.

Negotiations began with some 40 lenders, but the August deadline for



syndication slipped past amid reports of MLAs walking away due to unfavourable pricing, among other reasons.

One source said: “The fragmented nature of the UK fibre market makes a riskier investment that other mature markets, such as France and Germany, where the roll-out is handled by a handful of companies.

“There is a significant overbuild risk with the countless alt-nets in this country and there has long been speculation of a consolidation of sorts which further complicates matters.”

The source added: “The initial hype around the deal was justified going by similar examples in France, but a closer inspection quickly revealed that it’s a completely different ball game.”

March to a new deadline

Gone were the hopes for an oversubscribed process but the underwriters were determined to close the deal after the August lull, aiming – instead – for early September 2022.

Market sources also indicate readjustment to terms of debt to attract MLAs at that time. However, once again the deadline was missed with no clear indication of a new one.

Several lenders at that point confirmed their withdrawal from the deal as the market stagnated in response to expectations of an upcoming recession.

A market source quipped: “Lenders are coming to the realisation that not all fibre deals are made equal. Fibre as an asset class was regarded as a safe investment until one takes a closer look at the market dynamics.

“Regulations surrounding fibre deals on the continent focus on coordinated plans that facilitate a monopoly of sorts. The UK on the other hand has the opposite approach whereby regulators encourage competition.

“This makes calculating demand risk much harder for commercial lenders.”

No choice but call flex

With the deal pushing into the new year, the underwriters called time of death on the first attempt at syndication and invoked flex.

The facility under revised terms is understood to be priced at a “significantly higher rate” compared to the original agreement.

The base rate is believed to be starting at upwards of 220bp over reference, with added step ups reaching well over 300bp by the end of the 7-year term.

The underwriters have launched the second attempt at syndication and are reportedly working to a 4–6-week time-frame. If successful, the process should be wrapped up before the end of the quarter (Q1 2023).

Deal advisers

Advisers to CityFibre include:

- NatWest – financial
- Societe Generale – financial
- Latham & Watkins – legal

Advisers to UKIB include:

- Lloyds – financial

Advisers to lenders:

- Clifford Chance – legal ■

Cegelog Military PPP, France

Cegelog Military PPP reached financial close on Valentine's Day 2022 achieving a market first in France for a multi-billion-Euro project that managed to avoid market volatility brought on by Russia's invasion of Ukraine shortly after FC. *IJGlobal* senior reporter **Maya Chavvakula** takes a look.

The Cegelog project – *Contrat d'Externalisation pour la Gestion des Logements Domaniaux du Ministère des Armées* – involves the award of an external contract for the management of state-owned housing designated to the Armed Forces.

The project has a price tag of around €7 billion (\$7.9bn) over the lifetime of the concession, and a primary deal value of €1.5 billion.

Slightly more than €1.3 billion of debt was raised against the project with the French procuring authority dusting off the seldom-used (in a PPP context) Daily guarantee to wrap a portion of the financing. Equity injected in to Cegelog amounted to €171 million.

Proponents of the project say the complexity of the financing structure for this deal cannot be overstated but simply say “it's a real estate deal that was priced and financed like an infrastructure deal”.

Background

France's *Ministère des Armées* in 2019 launched a consultation process to select a private partner to refurbish and upgrade its real estate assets as a part of its pledge to improve living conditions for military families.

The initiative – *Ambition Logement* (housing ambition) – includes upgrades to existing housing units to meet modern standards and the construction of new properties under a concession contract backed by French government subsidies.

A formal tender for the project was launched later the same year, kick-starting a process that was stalled and amended several times along the way.

The project covers renovation of nearly 8,000 existing houses and the construction of 3,000 new units across 55 sites.

The project sponsor is also responsible

for maintenance of the entire portfolio along with an additional 4,000 units – currently managed by CDC Habitat – for a period of 35 years, starting 2023.

This is the first military project in France to be procured under the public-private partnership model.

Long and arduous road to procurement

The procuring authority in 2020 shortlisted 4 bidders for Cegelog PPP with plans to lock in construction and concession costs.

- Binding offers were submitted by JVs of:
- Eiffage and Arcade
 - Vinci and EDF
 - Meridiam and 3F (subsidiary of Action Logement)
 - Vauban Infrastructure Partners, Engie and Nexity

The construction costs and the concession payments covered by the PPP contact went through several revisions during the binding offers phase with the procurement process halted briefly to iron out complex contingencies required to make the project viable.

Determining the cost of construction, which tends to be relatively straight forward for most infrastructure projects of this nature, needed a lot more consideration for Cegelog given risks associated mostly with the brownfield aspect.

Contingencies had to be put in place for elements ranging from the discovery of asbestos through to fundamental design risk to make the project's risk profile more palatable to the private sector.

Finalising the parameters for the O&M part of the project was no less complicated as the French military had to top up the discounted rents with subsidies to make the operation profitable for the concessionaire.



Antoine Bouzanquet

The involvement of the European Investment Bank (EIB), which agreed to back the project under any of the 4 shortlisted parties, added another layer of intricacy to the project as it refused to assume any construction risk.

Bidder uncertainty

The size and scale of the project also meant that the O&M partners in each of the participating JVs needed to assume a porting of the operating risk and provide bankable provisions.

This turned out to be a red line for Vauban and Engie's partner, Nexity... which withdrew from the JV leading to the group's exit.

Meridiam continued through to the final stage but it is understood that its bid was not deemed as competitive as the final 2 given IRR guarantees required by the fund's investors.

The final bidding war fell to the teams led by Eiffage and Vinci, with the former being appointed referred bidder in October 2021.

Antoine Bouzanquet, counsel at Willkie Farr & Gallagher and part of the legal team to lenders, says: “This deal required a wide and robust industrial commitment which sponsors like Eiffage and Arcade were able to deliver.”

EUROPE CASE STUDY

"The long-term construction, maintenance and operation contracts for such a massive portfolio offer a remarkable value for the 2 groups and they were able to accommodate a high level of flexibility which was very appreciated by the Ministry. It turned out to be a critical advantage in the selection process compared to non-industrial players which necessarily have tight IRR requirements."

With €1.5 billion locked in as the deal value, project proponent Eiffage aimed to reach financial close within 4 months.

However, sources close to the matter later confirm that the January 2022 deadline Eiffage was hoping to achieve was "extremely ambitious" and that the project closing the following month was nothing short of a miracle given the procuring authority was yet to finalise subsidies for the project... even after the appointment of the preferred bidder.

Financial Close

Both the public and private side committed to a quick progression on the financing for the project with initial plans to sign off on a debt structure by January 2022.

Amir Jahanguiri, Willkie Farr & Gallagher partner and lead legal adviser to lenders, says: "The government had an ambitious timing for the signing and closing of this highly complex and unique deal which the sponsors took up and were able to deliver within a record timing of less than 5 months from the preferred bidder selection."

The deadline was only missed by a few weeks and the project was signed on 14 February 2022 with a total of 12 lenders arranging the €1.314 billion debt package.

The debt package was divided into 2 broad categories and arranged across 7 tranches, pricing at different rates.

A total of €574 million came from:

- European Investment Bank (EIB) – €474 million
- EPFP military pension fund – €100 million

The remaining €726 million in senior debt was arranged by:

- Auxifip
- BBVA
- BNP Paribas
- Caisse d'Épargne et de Prévoyance IDF
- CaixaBank
- Crédit Agricole
- LB Saar
- NordLB
- KfW IPEX-Bank
- Societe Generale

EIB and EPFP both shied away from construction risk and only agreed to



Amir Jahanguiri

drawdown once Cegelog had reached operations.

To free up capital for construction, the sponsors negotiated a €574 million bridge loan which would then be retired by the EIB and EPFP once operational. It was arranged by:

- KfW IPEX-Bank
- Caixa
- CA-CIB

This bridge facility has a 5-7 year tenor and the pricing reflects the risk assumed by the banks, according to sources familiar with the matter.

The other tranches on the overall debt package of €1,329 million are:

- Term Loan 1 – €179 million with a 6-year 10 month tenor
- Term Loan 2 – €218 million with a 34-year 10 month tenor
- Term Loan 3 – €179 million with a 24-year 10 month tenor
- EPFP Tranche – €100 million with a 34-year 10 month tenor
- EIB Tranche – €484 million with a 24-year 10 month tenor
- Revolver – €169 million with a 7-year 10 month tenor

The remaining €171 million was provided in the shape of equity from Eiffage and Arcade.

Daily tranches and subsidies

A crucial stipulation of this PPP is that the rents for the houses covered by the contract must be below market price which meant that the French government needed to top up the rental revenue with subsidies to make the project commercially viable.

The EIB – in addition to begging off construction risk – also required the subsidies from the French government to be made irrevocable before it will allow drawdown.

Several commercial lenders only agreed to come in on tranches with drawdown conditions (CPs) under the Cession de Créances Daily mechanism, transferring

some of the risk associated with the project to the public sector.

The French authorities, under the Daily mechanism, accept to guarantee a portion of those payments to the lenders following completion of construction.

Bouzanquet adds: "The complex remuneration and subsidy scheme of the concession contract has largely driven the design of the financing structure. This scheme has made it possible to offer a very diversified range of credit exposure with short-term and long-term Daily risks as well as short-term and long-term project risks.

"The sponsors were able to meet very different appetites on the market and thus optimise the overall liquidity for this project. Adding the fronted securitisation structure for the EPFP, a tailored hedging and a heavy sub-tranching of the facilities, this project financing is certainly one of the most complex ever closed in France."

The cost of debt for the facility covered by the Daily mechanisms was lower than that for revolver tranches that will service the construction phase.

Pathfinder project?

Willkie Farr & Gallagher's Jahanguiri says:

"The structure for this project was quite innovative and complex as this was a first project of its kind in France and may be replicated for future projects for renovation of real estate owned by the public sector in France.

"This project was structured on the basis of a concession (BOT) contract which is commonly used for infrastructure, while it pertains to real estate. As such, it was priced and financed like an infrastructure deal, although different levels of subsidies and specific contingencies were built into the structure to account for the construction and renovation risks associated with the housing units."

In another first the project proponents have established a carbon and climate arbitration fund to help finance "innovative solutions for environmental outperformance".

Advisers

Advisers to lenders:

- Willkie Farr & Gallagher – legal to commercial lenders
- De Pardieu Brocas Maffei – legal to EIB
- EY – technical
- Marsh – insurance

Advisers to procuring authority:

- Infra Gestion – financial
- Watson Farley & Williams – legal
- Currie & Brown – technical ■



NORTH AMERICA CASE STUDY

JFK Terminal 6, NY

The final piece of New York’s John F Kennedy International Airport transformation plan is finally underway after Terminal 6 reached financial close in November. *IJGlobal* senior reporter **Tanvi Acharya** takes a closer look.

The \$4.2 billion project – implemented in 2 phases – is being developed by JFK Millennium Partners (JMP) at the site of the existing terminals 6 and 7.

The consortium selected to DBFM the terminal comprises:

- JetBlue Airways
- Vantage Airport Group
- American Triple I (ATI)
- RXR Realty

Gates of the new 1.2 million square foot terminal are expected to open in 2026 with project completion slated for 2028.

This transaction follows the New Terminal One (NTO) reaching financial close in June (2022), setting a blueprint for large airport P3s.

Sridhar Nagarajan, regional head of project and export finance at Standard

Chartered Bank, said: “Terminal 1 set a template in the broader market, while there are small nuances which change for this project but when it comes to the broad strokes – the P3 agreement and the bank group coming in to underwrite the debt – it was like T1.”

Background

In August 2021 New York State and the Port Authority of New York and New Jersey (PANYNJ) greenlighted the development of a new international terminal (T6) that will anchor the north side of JFK airport.

It was originally due to commence in 2020 but was hit with delays due to the Covid-19 pandemic. However, PANYNJ and JMP signed a reworked deal for the new terminal in 2001, which was fortunately approved.

The project is part of a larger \$18 billion revamp of JFK Airport, launched by former New York Governor Andrew Cuomo, which includes:

- \$9.5 billion development of new JFK Terminal 1
- a \$1.5 billion expansion of Terminal 4 led by Delta and JFK International Air Terminal
- the \$425 million expansion of JFK’s Terminal 8, led by American Airlines and British Airways

Cuomo unveiled his plans for an overhaul of JFK’s 8 disparate terminal sites into 1 unified airport in 2017 to mimic the success of the P3 development of Terminal B at LaGuardia which achieved FC in June 2016.

His 2017 Vision Plan included demolition of old terminals, utilisation of vacant





NORTH AMERICA CASE STUDY

spaces and modernisation of the on-airport infrastructure. He asked PANYNJ to employ a wide range of innovative financing tools for JFK redevelopment to maximise private sector investment.

The following year (October 2018), Cuomo announced a \$13 billion plan to transform JFK Airport with more than 90% of the funding to come from private sources.

Terminal One Group was selected to build a structure on the south side, replacing:

- Terminal 1
- Terminal 2
- a development where Terminal 3 used to stand

Meanwhile, JetBlue and JFK Millennium Partners were selected to develop a new terminal on the north side by demolishing Terminal 7 – once British Airways moves to Terminal 8 – and combining it with the vacant space where Terminal 6 was demolished in 2011. In addition to JetBlue, Lufthansa Group will also move into the new terminal once completed.

The state-of-the-art new international terminal will connect to Terminal 5 and include a US Customs and Border Protection processing facility along with significant airside and landside expansions.

Vantage will manage the existing Terminal 7 until its demolition in 2025 as well as oversee the new international Terminal 6 from completion through 2060 via a long-term lease with the PANYNJ.

AECOM Hunt is providing design-build services for the project.

Financing

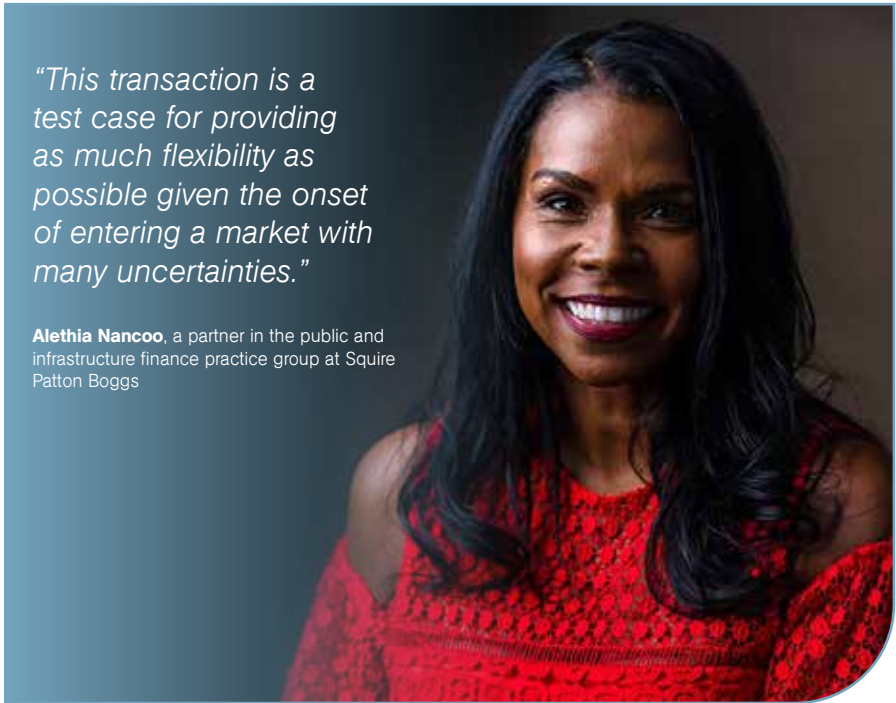
The \$3.4 billion debt package comprising a non-recourse construction facility and tax-exempt bond was used to bring JFK's Terminal 6 project to financial close in November (2022) with 6 banks arranging the transaction.

- The construction financing was split into:
- \$3 billion, 7-year senior secured construction term loan
 - \$435 million, 7-year series 2022A tax-exempt bond

The loan was priced in the high 200bp range and the series 2022A tax-exempt bond was provided by RBC.

"This transaction is a test case for providing as much flexibility as possible given the onset of entering a market with many uncertainties," said Alethia Nancoo, a partner in the public & infrastructure finance practice group at Squire Patton Boggs.

"The financing was initially contemplated to be a publicly offered tax-exempt debt



"This transaction is a test case for providing as much flexibility as possible given the onset of entering a market with many uncertainties."

Alethia Nancoo, a partner in the public and infrastructure finance practice group at Squire Patton Boggs

financing as well as a commercial lending portion that could be either taxable, tax-exempt or some combination thereof. By financial close the transaction ended up as a 90% taxable commercial lending transaction with a small portion privately placed with RBC," she said.

The 6 banks acting as coordinated lead arrangers and joint bookrunners were:

- ING
- KeyBank
- MUFG
- SMBC
- Scotiabank
- Standard Chartered

ING and SMBC were the syndication lead banks.

- Other roles on the debt package were:
- Bank of China NY – senior joint lead arranger
 - JP Morgan, Mizuho – joint lead arrangers
 - ICBC NY, LandesBank NY – mandated lead arrangers
 - Siemens Financial Services – senior managing agent

Meanwhile, \$1.3 billion in equity was split into:

- Vantage (~45%)
- ATI (30%)
- RXR Realty (~25%)

The Port Authority will also commit \$130 million in capital funding to build enabling

infrastructure for the new terminal as per its agreement with JMP

At the time of closing, Scott Rechler, chairman and CEO of RXR, said: "We can no longer use the playbooks of the past to advance the region's most critical infrastructure projects. There is no better way to leverage public resources and unlock private sector investment and innovation than through public-private partnerships."

He added: "After years of planning and navigating a global pandemic, we're proud to advance the Port Authority's latest public-private partnership with a new world-class air terminal at JFK International Airport."

Advisers to concessionaire JMP were:

- Goldman Sachs – financial
- Morgan Stanley – financial
- O'Melveny – legal
- Troutmann – construction documentation

Advisers to lenders were:

- White & Case – legal
- BTY – technical

Additional advisers involved in the transaction were:

- Simpson Thacher & Bartlett – legal to equity providers
- McCarthy Tétrault – legal to equity providers
- Latham & Watkins – legal to ATI ■



LATIN AMERICA CASE STUDY

Jorge Chávez International Airport RCF, Peru

Lima's Jorge Chávez International Airport mega expansion has reached financial close. After years in limbo, the Fraport-led concessionaire Lima Airport Partners managed to secure over \$1 billion from a consortium of international banks. *IJGlobal* reporter **Adrian Ganic** takes a look.

Expansion plans for Lima's Jorge Chávez International Airport – one of the busiest transport hubs in Latin America – reached financial close in December 2022, concluding a protracted process that was plagued by corruption scandals, litigation issues and the Covid 19 pandemic.

Having signed up to a \$450 million bridge loan in 2020 to fund the construction of a new air traffic control tower and a second runway, the concessionaire Lima Airport Partners (LAP) has now secured a \$1.25 billion revolving credit facility (RCF) to finalise the expansion.

This deal is monumental for the Peruvian market, weighing in at more than \$2 billion.

The financing will go towards delivering the airport's most substantial construction work – the second terminal – which will allow an additional 65 flights per hour and the capacity to host 30 million passengers annually.

"This is a landmark transaction," says Matthias Zieschang, CFO of LAP. "We are pleased by the continued strong demand from the international capital markets for financing Lima Airport's strategic development. More than ever, well-managed aviation hubs like Lima are highly regarded as critical infrastructure and reliable long-term investments."

An arduous journey

LAP has been operating Lima's 30-year airport concession since 2001. The consortium comprises German airport operator Fraport (80.01%) and, as of 2019, the World Bank's International Finance Corporation (IFC) with a holding of 19.99%.

LAP was granted a 10-year extension to the concession in 2016, taking its tenure up to 2041. The contract has the option for further 10-year extensions up to a maximum length of 60 years. The Peruvian Ministry of Transport and Communications (MTC) and LAP agreed to an addendum to the concession contract in 2017 in response to increased air travel.



The financing will go towards delivering the airport's most substantial construction work – the second terminal – which will allow an additional 65 flights per hour



LATIN AMERICA CASE STUDY

Under the new agreement, the Peruvian Government handed LAP the land necessary to complete its planned mega expansion project, including the modernisation of its second runway, construction of a new passenger terminal, access roads, a new control tower and auxiliary infrastructure. In return, LAP vowed to deliver the project by 2024.

A plan was set in motion in 2018 for the airport expansion to be wholly funded by the private sector, with a group of banks led by SMBC expected to provide up to \$1.2 billion in debt, with financial close planned for that December.

A consortium of FCC Construction, Salini Impregilo (now operating as Webuild) and AECOM was awarded the design-build contract for the expansion in 2018.

However, the project was derailed after Peru's then-President Pedro Pablo Kuczynski was faced with a series of corruption scandals that ultimately overthrew his office.

On top of corruption accusations, the airport expansion had to cope with the Covid 19 pandemic, litigation involving land rights and problems with EPC contractors, delaying financial close and altering the profile of the project, as well as the financing.

A short-term solution

Due to these difficulties, LAP had to give up its ambitions to execute the flagship expansion as 1 megaproject.

The concessionaire instead decided to split the project into 3 parts:

- 65-meter-high air traffic control (ATC) tower
- second 3,480m runway, as well as 10km of taxiways, a 250-hectare advanced mid-field apron area for increased aircraft parking capacity and auxiliary infrastructure
- second passenger terminal

FCC Construction's contract to design and build the entire expansion was annulled by the process of dividing the project into its component parts.

The Nuevo Limatambo Consortium – comprising OHL and Cosapi – was selected for the earthmoving works in December 2019.

In May 2020, the Wayra Consortium was selected to construct the new control tower. Wayra comprises Acciona, Ferrovial and JJC.

The EPC contract to build the second runway was awarded in August 2020 to the consortium Inti Punku, comprising Sacyr and GyM.

Obtaining financing for the works proved difficult, especially given adverse market



Under the new agreement, the Peruvian Government handed LAP the land necessary to complete its planned mega expansion project

conditions caused by the pandemic and confidence loss in the sector. Nonetheless, the project sponsor managed to secure a \$450 million loan on a 1-year tenor from a consortium of international banks in late 2020.

The bank syndicate comprised:

- BBVA
- KfW IPEX-Bank
- Scotiabank
- SMBC (lead arranger)

The amount raised was enough to avoid further construction delays for the runway and control tower, but the expansion's long-term prospects were still up in the air, including the future of the second terminal.

Long-term financing

The story picks up again last May (2022) when LAP and the MTC signed an agreement stipulating that the terminal expansion be split into 2 smaller buildings.

These plans have since been modified: the new terminal will be delivered as 1 building, as originally planned, but the deadline for completion was extended from 2024 to early 2025.

Long-term financing came in the form of an early Christmas present on 22 December 2022, when LAP announced that it had obtained \$1.25 billion from 7 international banks – including the 4 that were on the bridge loan.

The consortium and their ticket sizes are:

- IDB Invest – \$250 million
- Scotiabank – \$250 million
- BBVA – \$150 million
- KfW IPEX-Bank – \$150 million
- MUFG – \$150 million
- SMBC – \$150 million
- Société Générale – \$150 million

The loan is structured as a revolving credit facility with “essentially one tranche”,

according to a source close to the project. The RCF will cover construction costs, and part of the funds will be used to repay LAP's \$450 million outstanding debt (the bridge loan).

The debt tenor is 7 years.

Following this transaction, the project's gearing comes in at around 63:37.

All's well that ends well

Thus far into 2023, things have been progressing smoothly. LAP, in collaboration with the MTC, announced that the new control tower and runway will start operations on 1 April.

It has also been reported that construction of the second terminal will meet its January 2025 deadline, with the Inti Punku Consortium named general contractor.

The next step in the process is for money to officially change hands from lender to concessionaire, which is slated to happen in March 2023.

“The new airport is a reality, and soon Peruvians and foreigners will enjoy world-class infrastructure. This is a sign and example of the work between the private sector and the state to give citizens the services they deserve,” said Peru's minister for Transportation and Communication, Paola Lazarte, at the inauguration of the control tower and runway.

It may finally be time for takeoff.

Deal Advisers

Advisers to LAP:

- SMBC – financial
- Paul Hastings – international legal
- Rodrigo Elías Medrano – local legal

Advisers to the lenders:

- Citibank – financial, trust and agent bank
- Milbank – international legal
- Garrigues Peru – local legal ■



ASIA PACIFIC CASE STUDY

VinFast's e-mobility portfolio, Vietnam

Vietnamese automotive manufacturer VinFast made headlines after receiving a \$135 million climate financing package to manufacture the country's first fully electric public transport bus fleet and national electric vehicle (EV) charging network. *IJGlobal* reporter **Civi Yap** shares insights about the deal and the emerging subsector.

Vietnam's government has pledged to achieve net-zero emissions by 2050, a challenge as the transport sector accounts for 18% of the country's yearly greenhouse gas emissions. The e-mobility subsector has arisen as an effective and plausible decarbonisation strategy.

VinFast's transaction – which came to light in October (2022) – will finance up to 200 buses and 1,500 charging stations. VinFast is the manufacturer, while Vingroup's subsidiary, Vinbus Ecology Transport Service, will operate the bus fleet in Hanoi, Ho Chi Minh City (HCMC), and Phu Quoc.

"This project delivers a high-impact and sustainable transport solution for Vietnam

while helping it meet its climate goals and supporting the growth of climate finance in the region," said ADB private sector operations department director general Suzanne Gaboury.

Obtaining the financing package

The corporate finance deal has a 7-year tenor on a door-to-door basis, while Asian Development Bank (ADB) acted as the MLA. The package has 2 tranches – a \$107m A / parallel loan and \$28m concessional financing.

The lenders club consisted of 3 development finance institutions (DFIs), 1 export credit agency (ECA), 1 commercial

lender, and 3 trust funds.

The financing broke down as follows: \$107m A / parallel loan:

- Export Finance Australia – \$30m
- Oesterreichische Entwicklungsbank AG (OeEB) – \$25m
- ADB – \$20m
- responsAbility – \$17m
- Finnish Fund for Industrial Cooperation (Finnfund) – \$15m

\$28m concessional financing:

- Australian Climate Finance Partnership (ACFP) – \$20m
- Clean Technology Fund – \$5m
- Climate Innovation and Development Fund (CIDF) – \$3m



VinFast's transaction will finance up to 200 buses and 1,500 charging stations



ASIA PACIFIC CASE STUDY

ACFP is a managed trust fund financed by the Australian government, while Goldman Sachs and Bloomberg Philanthropies are financiers of CIDF.

The deal received certification from Climate Bonds Initiative, an international organisation with scientifically based standards for labelling bonds, loans, and other debt instruments that contributes to addressing climate change.

- Advisers included:
- Norton Rose Fulbright – sponsor legal
 - RINA – E&S
 - Watson Farley & Williams – lender legal
 - DNV – EV-related technical

Arranging e-mobility financing

EV-related transport projects have a unique cost structure, which is more expensive up front but cheaper to operate than conventional vehicles. There might also be extra costs for maintaining batteries and grid infrastructure. However, the subsector’s investment thesis is that the lifetime cost of owning and operating e-buses will be lower than diesel engine buses.

The e-mobility subsector remains a frontier market in Southeast Asia due to risks and uncertainties. There are unforeseen risks, such as ridership, technicality, and safety, which the market might not be keen to undertake under the current financing climate.

“Scaling e-bus projects requires huge, risk-tolerant capital investment to procure the vehicles and to supply the necessary charging infrastructure and grid upgrades,” World Resources Institute wrote in *Barriers to Adopting Electric Buses*.

VinFast’s deal is significant as financiers with relatively higher risk appetite were

willing to offtake the risks. Meanwhile, DFIs served more like impact investors from a climate perspective by aiming to decarbonise the transport sector. ADB stated it has partially offset the project’s risks by using concessional financing, totalling \$28 million, from ACFP, CTF and CIFD.

Similar e-mobility projects have begun to pick up traction in Southeast Asia. In June (2022), Thailand-based Energy Absolute achieved financial close on a marine public transport involving 27 electric ferries worth Bt956 million (\$27.1m).

IJGlobal compares the 2 transactions.

Laying the groundwork for e-mobility

VinFast is a Vietnamese private automotive company headquartered in Singapore. The company, which was established in 2017, is a subsidiary of Vingroup, Vietnam’s largest conglomerate founded by Pham Nhat Vuong. EV buses came onto the scene as the company in August 2018 bagged contracts from Siemens to supply technology and components to manufacture electric buses in Southeast Asian markets.

Vingroup’s subsidiary VinBus Ecology Transport Service in March (2022) commenced the country’s first e-bus route in HCMC. The bus route connects Vinhomes Grand Park’s urban area to Saigon Bus Station. In April 2021, VinBus launched its first EV bus fleet in Vietnam, which had operated at Vinhomes Ocean Park before it obtained approval from the provincial authority to connect with the city’s public transport system.

Meanwhile, NDC Transport Initiative for Asia is supporting the Department of Transport in HCMC to develop a city



Suzanne Gaboury

“This project delivers a high-impact and sustainable transport solution for Vietnam while helping it meet its climate goals and supporting the growth of climate finance in the region.”

e-mobility roadmap, which includes the implementation roadmap to replace traditional buses with electric buses on a city-wide scale.

“Asia Pacific is the frontline of the global fight against climate change, and private sector projects...are crucial to help its countries decarbonise their economies,” said ADB’s Gaboury. ■



VinBus launched its first EV bus fleet in Vietnam, which had operated at Vinhomes Ocean Park



MENA CASE STUDY

Abydos and Amunet Solar & Wind, Egypt

AMEA Power signed up to \$1.1bn in debt over the course of a few days to achieve the simultaneous close of separately financed wind and solar projects in Egypt's resource-rich Kom Ombo and Ras Ghareb. *IJGlobal* senior reporter **James Hebert** reports.

The \$1.3 billion of projects in question are the 500MW Abydos solar PV and the 500MW Amunet wind farm, both of which were financed separately and concurrently.

AMEA Power signed a combined \$1.1 billion of debt over a period of a few days in late-November 2022.

An SMBC-led, NEXI-covered commercial bank tranche was brought in on the \$700 million debt financing of Amunet. Both projects otherwise have a heavy DFI presence in turn led by the International Finance Corporation (IFC).

AMEA Power first announced financial close on 30 November, which was then completed for both projects by 5 December (2022).

Kom Ombo and Ras al Ghareb

As part of the government of Egypt's drive to raise the share of renewables in the country's energy mix by 2035, it has invited power developers to submit proposals for wind and solar projects in 2 key areas of the north African state: Kom Ombo and Ras al Ghareb.

The 2 locations are well-sought after by developers for good reason – the geography.

There is a world-class wind resource in the Ras Ghareb municipality in the Red Sea Governorate, while a high solar irradiance exists in the Aswan Governorate, where the town of Kom Ombo lies.

Naturally these are the locations of AMEA Power's Abydos – in Kom Ombo – and Amunet, in Ras al Ghareb. By the time the developer announced the 2 projects on 16 December 2019, there had already been completed tenders in Ras al Ghareb (April 2015) and in Kom Ombo (April 2019).

These tenders had a single preferred bidder each – Engie for the 2015 wind scheme and ACWA Power for the 2019 solar PV. Despite losing out, other developers nonetheless approached the government with an offer to develop a second project with the same proportions and terms.

This was the case with Lekela Power, which narrowly missed out in 2015 but



The government of Egypt invited power developers to submit proposals for solar projects in 2 key areas of the north African state



MENA CASE STUDY



Lekela Power's 250MW West Bakr wind farm reached financial close on 7 August 2019

came back with its 250MW West Bakr wind farm that reached financial close on 7 August 2019.

Similarly, AMEA Power's Abydos and Amunet schemes are independent power projects (IPPs) that were approved by the government, separate from any prior procurement process. When they were first announced, the developer said it had already completed its feasibility studies, obtained usufruct agreements with the New and Renewable Energy Authority (NREA), and received a sovereign guarantee from the Ministry of Finance.

PPA changes

AMEA Power signed with utility Egyptian Electricity Transmission Company (EETC) the PPAs for both projects in December 2019, but the tariffs were soon changed a few months later after the start of the Covid-19 pandemic in March 2020.

At the time of the first signing, the offtake agreements were:

- 200MW Abydos solar PV – 25-year term at \$0.0248/kWh
- 500MW Amunet wind farm – 20-year term at \$0.031/kWh

According to a source close to the deal, these tariffs “were reduced in 2020 when an extension was granted, and the capacity increased on Abydos from 200MW to 500MW and before the global supply chain crunch and record inflation and base rate hikes.”

The new tariffs are:

- 500MW Abydos solar PV – \$0.02/kWh
- 500MW Amunet wind farm – \$0.03/kWh

The source added that the tariffs were “very, very difficult” to work around, but cooperation among the lenders helped see the deal through on the back of these post-pandemic PPAs.

Financing – Abydos

The all-DFI \$400 million debt for the 500MW Abydos solar PV was signed on 30 November 2022. The lenders were:

- IFC – \$95 million (MLA)
- Japan International Cooperation Agency (JICA) – \$95 million
- FMO – \$65 million

The FMO ticket is a B-loan arranged by the IFC. The IFC is the hedging bank, Citibank is the global facility agent.

Financing – Amunet

The project financing of Amunet has an even greater Japanese presence on the debt-side due to the equity make-up of the wind farm's project company, which:

- AMEA Power – 60%
- Sumitomo Corporation – 40%

A total of \$700 million in debt was signed for Amunet on 27 November (2022). The lenders on the DFI tranche were:

- International Finance Corporation (IFC) – \$50 million (MLA)
- Japan Bank for International Cooperation (JBIC) – \$294 million

The lenders on the commercial bank tranche were:

- SMBC – \$96 million (MLA)
- SMTB – \$50 million (MLA)
- Standard Chartered Bank – \$50 million (MLA)

NEXI provided cover for up to \$196 million of the commercial bank debt and for the interest rate swaps guaranteed by SMBC. The NEXI cover has a tenor of 21.5 years. The tenor of the senior debt is understood to match the 20-year PPA plus construction period.

The Commercial International Bank of Egypt (CIB) is the working capital bank, while the IFC and SMBC are hedging banks:

- IFC – \$440 million
- SMBC – \$100 million

Standard Chartered also acted as the global facility agent and was a green loan coordinator alongside SMBC.

Advisers

The sponsors were advised on Amunet by:

- Deloitte – financial
- Clifford Chance – legal
- Baker McKenzie – legal
- COWI – technical
- EcoConsult, Green Plus and The Biodiversity Consultancy – E&S
- Marsh – insurance

The lenders were advised on Amunet by:

- Milbank – legal
- Shalakany – legal
- WSP – technical, E&S
- Willis Towers Watson – insurance
- BDO – model auditor

AMEA Power were advised on Abydos by:

- Deloitte – financial
- Clifford Chance – legal
- Baker McKenzie – legal
- DNV – technical
- EcoConsult and EcoConserv – E&S
- Marsh – insurance

The lenders were advised on Abydos by:

- NFR – legal
- Shakary & Shehan – legal
- Wood – technical
- Rambol – E&S
- INDEC – insurance
- Mazars – model auditor ■



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