

Issue 383
Summer 2021

IJGlobal

Project Finance & Infrastructure Journal



EUROPE

Mutkalampi Wind Farm

NORTH AMERICA

Thruway Service Stations P3

LATIN AMERICA

Gás Natural Açu

ASIA PACIFIC

Hybrid portfolio financing

MIDDLE EAST & AFRICA

Yanbu-4 IWP

IJGLOBAL AWARDS 2020 **WINNERS INSIDE**

IJGlobal
Awards
2020



Awards special

This year's roll-call of the victorious
for deals closed in 2020



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From the editor	4
IJGlobal ESG Awards 2020	5
IJ Global Awards 2020	10
The Societe Generale Interview	11
The ACWA Power Interview	14
The Herbert Smith Freehills Interview	15
The Quinbrook interview	17
The DBS Interview	20
The Fitch Interview	21
The White & Case Interview	23
The SMBC Interview	25
The Citi Interview	28
The Astris Finance interview	29
IJGlobal Awards 2020 – winning companies	31
IJGlobal Awards 2020 – winning deals	75
Europe	
Mutkalampi Wind Farm	148
North America	
New York Thruway Service Stations P3	151
Latin America	
Gás Natural Açú, Brazil	154
Asia Pacific	
Hybrid portfolio financing, Rajasthan	157
Middle East & Africa	
Yanbu-4 IWP, Saudi Arabia	159

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Then with the losers let it sympathize, for nothing can seem foul to those that win

If you had cameras set up in the homes of *IJGlobal* journalists – a rather alarming prospect, and not one that I'm comfortable with – you would have a bird's-eye view of what goes on in the judging process for *IJGlobal Awards 2020*... and you might be a tad taken aback at how labour-intensive it is.

This year we had 1,400 submissions to wade through, entries that range from masterpieces of ingenuity to outright stinkers that are dismissed with one click of the cursor.

I feel, however, that it is about time I clarify certain elements of the judging process.

Company awards (lenders, lawyers, etc.) are judged by our team of industry experts for each region at five separate Judgment Days while the Deal category... well, that's our cross to bear. The editor from each region marshals editorial forces and their own market knowledge to make a call on this front, based on submissions.

It is for this reason that at the end of a physical award nights (not happening this year), we might look a trifle miffed when someone ends up hollering in our faces for not winning an award. Usually it's the Company awards (legal/financial/technical adviser of the year, etc.) that get most folk het up, which is particularly galling when we have no power over those results... the judging panels make that call.

The argument tends to go: "We're on all the winning deals for the region, but we didn't win overall adviser trophy... how does that work?"

And now you have the answer. The Company awards – everything from MLA of the Year through to Legal/Financial/Technical Adviser – are voted on by our independent panel of judges, based on the submissions from each of the shortlisted organisations.

When it comes to the Deals category... well, we'd have the judges up all night if we had them voting on the outcome of those submissions. So we [*IJGlobal*] do it ourselves... and that's how there can occasionally be a discrepancy between the Company awards and the Deal awards.

I can draw only one conclusion when an organisation is involved in all the winning Deals, but fails to scoop the Company category award... your submission sucked by such magnificent proportions that it failed to impress the judges. You clearly failed to get across to the judges what was apparent for the *IJGlobal* editorial team to see in the Deals section.

However, I feel your pain. Some beleaguered analyst is badgered into submitting and does a half-arsed job. Even worse, someone from marketing/PR with little knowledge of the deal (not fair as some are excellent) has it dumped on their desk and they make as good a fist of it as they can. Understandably, they only do as good a job as the support they receive.

But there's good news. Once this issue of the magazine is firmly in the rear-view mirror, I'm going to trawl through the awards methodology and categorisation in a bid to simplify the process and make it clearer where we draw the line between the *IJGlobal Awards* (broadly speaking greenfield and refi) and the *IInvestor Awards* (infra fund activity and M&A).

Is this a magazine which I see before me?

Apologies for butchering Shakespeare, but once again due to this pesky Coronavirus thing you might have read about in the news, this issue of *IJGlobal Magazine* is in virtual format. But there's plenty to read.

We have a bumper summer issue for your entertainment. One of the first things you will notice is that we have created an Editor's Choice Award. This allows the senior journalist for the region that they cover to identify a significant project of their choice – whether submitted for the awards or not – to win.

Too often I have watched awards sail past with certain deals not being singled out for recognition for any number of reasons. Sometimes, perhaps they are left on the sideline because those involved expect the biggest deals to win. Sometimes, everyone involved is too busy working on deals and they (understandably) prioritise that. Sometimes – not an option I like at all – they don't know *IJGlobal*... perish the thought.

So here we have created a category for the editorial team to doff the cap at a deal they have watched progress to financial close and they believe it warrants special mention.

Read on Macduff

For now, I welcome you to the latest issue of our quarterly magazine and I will take a moment to congratulate all the winners while thanking everyone who submitted entries for their not inconsiderable efforts.

Here's to you all... and the hope of seeing all your smiling (some glaring) faces at awards nights later this year... or next... or the one after that. ■



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To find out more about *IJGlobal* and the services we offer, contact us at:
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IJGlobal 
ESG 
Awards 2020

Celebrating ESG Champions in Infrastructure & Energy Finance

We are delighted to announce the judging panel for the inaugural **IJGlobal ESG Awards**.

The **IJGlobal ESG Awards** – reflecting developments across the infrastructure and energy community from 1 April 2020 to 31 March 2021 – will recognise achievements achieved in the infrastructure and energy sectors over the judging period.

[Click here to enter](#)

Entry deadline 8th July 2021

For more information contact:
sara.baglin@euromoneyplc.com

ESG Awards Judges

Jemima Atkins Allianz Global investor

Jemima is well-known to *IJGlobal* having been voted Rising Star in the *IJInvestor Awards 2020*, proving to be a popular choice among the judging team based – among other reasons – for the impressive role she has played in AllianzGI on the ESG front.

She brings a welcome breath of (comparative) youth to the judging panel, but more than justifies her presence for the key role she has played in driving the ESG agenda within her organisation.

Jemima is an investment professional within the infrastructure debt team at Allianz Global Investors, having joined it in 2018.

She has made investments in various European infrastructure assets while – in tandem – creating the inaugural ESG integration framework for infrastructure debt.

Interestingly, she is currently working with other investment teams within Allianz Global Investors to roll out a standardised approach to ESG risk integration across the private markets platform.



In addition, Jemima is the investment-lead for implementing the EU Taxonomy and SFDR across private debt strategies, as well as being a member of the GRESB Infrastructure Debt Industry Working Group.

Prior to Allianz, Jemima worked at Bank of America Merrill Lynch.

Simon Currie Energy Estate



IJGlobal's relationship with Simon dates back to when he was a London-based partner at (then) Norton Rose – now Norton Rose Fulbright. Back then, he was way ahead of the curve, driving the renewable energy agenda... usually in a suit that was inordinately cooler than any of his colleagues.

We like Simon so much, we even wrote a profile on him back in September 2019!

A New Zealander by birth, Simon returned some years ago to the southern hemisphere with NRF to practise in Sydney. The years since have seen him switch sides of the table and launch an interesting business that seems to be doing rather well.

He is a principal and co-founder of Energy Estate which they describe as “an advisory firm and business accelerator, focused on driving the transformation of the global energy sector”.

Simon is renowned as a leader and pioneer in the transformation of the global energy sector with a focus on integrating the energy sector alongside other industries.

He is passionate about the digitisation of the industry, new and emerging technologies and the potential for creating jobs and economic growth through this approach.

Simon is also recognised for his innovative approach to realising the broader environmental, social and economic outcomes of all the projects he works on, and encouraging partners and other industry leaders to do the same.

Energy Estate's track record includes many pioneering projects that have delivered broader benefits through community ownership schemes, mandated local content and local employment, Indigenous engagement and biodiversity outcomes.

Edward Dixon Aviva Investors Real Assets

As head of ESG at Aviva Investors' £46 billion real assets platform – encompassing real estate, infrastructure and private debt – Ed was a shoo-in for this panel.

He works closely with colleagues across the platform to lead the firm's ESG strategy across investment, development and asset management, and he's well qualified to do this given his 18 years' experience in the industry

Prior to Aviva, he held the role of sustainability insights director at Landsec, joining the business in January 2016 to lead integration of the company's sustainability strategy through a £3.6 billion development pipeline as well as ESG strategy, research and governance functions.



His career also includes consulting, development and project management roles at UK-based construction company Mace, multi-national retailer Marks & Spencer and Simons Group – the well-established, development and design business, based in Lincoln and owned by the Hodgkinson family.

Ed is a critical thinker and believes in the power of organisational behaviour and leadership theory as a tool to address sustainability challenges.

Silke Goldberg Herbert Smith Freehills

When it comes to power, there are few legal experts with the Europe-wide depth of experience that Silke brings to the table. She is even identified as “leading individual” in this space by Legal 500 and has the ESG credentials to match.

ESG Awards Judges

Silke is admitted to practice in Germany, England and France and has nearly 20 years' experience of working in the energy sector, 16 of them as a lawyer.

She has advised clients in relation to the design of emission trading regimes, energy transition projects and director liability in relation to climate change. She has also advised several governments in relation to the development of their national climate legislation.

Silke Goldberg



Silke is the chair of Legal Response International, a legal charity assisting least developed countries in relation to the UNFCCC negotiations.

On the ESG front, Silke chairs HSF's global ESG practice and is currently a member of the advisory board of the Commonwealth Climate and Law Initiative at the University of Oxford and is a professor at Queen Mary University where she teaches international energy governance and regulation.

Silke advises in English, French, German, Dutch and Spanish.

Anurag Gupta **Sequoia Investment Management**

It feels like *IJGlobal* has followed Anurag from Toronto to London, back to Toronto... and back to London again as we stay in touch whichever side of The Pond he happens to be on.

His last stop Canada-side was as partner and global sector head for power and infrastructure at KPMG, giving him a truly international feel within the Big 4.

However, he returned to the UK early last year (2020) to take up his new role as chief risk officer and chief operating officer at Sequoia Investment Management Company.

At Sequoia, he has primary responsibility for the risk management and compliance of its infrastructure debt funds. Further, he oversees all day-to-day operations in the fund.

Anurag Gupta



Anurag has more than 20 years' experience in project finance, infrastructure investment and appraisal, risk management, M&A, and financial advisory.

Over his career he has accrued extensive transactional experience across infrastructure sectors such as transport, power and utilities, renewables, TMT, and social infrastructure (PPPs) – among others.

Vanessa Havard-Williams **Linklaters**

There are few lawyers on the street that come with an ESG pedigree as impressive as that of Vanessa and when we started researching the ESG Awards back in 2018 (yes, it's taken a while) she was repeatedly recommended as a powerhouse in this space.

Vanessa joined the steering committee that helped formulate the awards criteria... which we hope give entrants a more honed view of what they need to prove in their submission to win an award. It was during this process that it became abundantly apparent why she is so highly regarded.

She is the leader and a founding partner of Linklaters' global environment and climate change practice, while also being co-lead and a founding partner of the firm's risk and resilience and crisis management teams. Bringing those areas together, Vanessa leads Linklaters' global ESG practice.

Vanessa Havard-Williams



Vanessa is recognised internationally in legal directories as an expert in the areas of human rights, environmental law and governance, for her intellect and gravitas, her breadth of experience in compliance and crisis management and the ability to help clients deal with complex issues. She also sits on the UK Government's export credit advisory group as an adviser on climate, and ESG matters.

Vanessa has extensive experience advising on a broad range of environmental, health and safety, social and sustainability issues. She has particular expertise in environmental, social and security issues on energy and infrastructure projects. She also advises financial institutions on their development of sustainability policies, including the Equator Principles Association, IFIs and a number of commercial banks.

Chris Holmes **Foresight Group**

A highly-regarded figure from the UK infrastructure community, Chris has had an interesting career that took in the roller-coaster ride that was the Green Investment Bank and its sale to Macquarie.

Quite apart from living along the road from the author of this piece... he was spied several times during lockdown taking exercise breaks with a quite charming spaniel, and can often be seen pegging it along the less fashionable outreaches of Richmond on a bike that looks worth stealing.

Chris joined Foresight Group in 2019 as a partner in the London office with a co-lead responsibility to the JLEN fund.

ESG Awards Judges

Chris Holmes



He has more than 23 years' experience in infrastructure investment and financing in PFI/PPP and renewable energy projects.

Prior to Foresight, Chris worked at John Laing Capital Management as a director where he co-led the investment advisory services for JLEN.

Before joining JLCM, Chris was managing director and head of the waste and bioenergy team at the UK government's Green Investment Bank (GIB) for four years – which was subsequently bought by Maquarie and re-branded to the Green Investment Group.

In addition, Chris worked for NIBC Bank for 12 years, lending, advising and structuring capital market solutions on a wide range of infrastructure and renewable transactions.

Tallat Hussain
White & Case

Tallat first came to *IJGlobal's* attention in 2020 during some conversations where her forthright views on ESG struck a chord with the team and ensured her place on the inaugural *IJGlobal* ESG Awards judging panel.

Tallat Hussain



She is senior environmental counsel in White & Case's project development and finance group in London, covering UK, Europe, the Middle East and Africa.

Tallat advises corporate and financial clients in various sectors on regulatory compliance, the application of international environmental and social requirements such as the Equator Principles, IFC Performance Standards, UNSDGs and multiple reporting and disclosure initiatives.

Her ESG practice also covers business and human rights, sustainable finance solutions and climate change issues.

Liam O'Keefe
KEB Hana Bank

Liam O'Keefe



Another old friend of *IJGlobal* from back in his Credit Agricole days in a leadership role in syndications – a relationship that continues through to today, now that he is heading the project finance division at KEB Hana Bank in London.

Liam has often cropped up on *IJGlobal* judging panels over the years and his encyclopaedic knowledge of the global infrastructure market has ensured repeat invitations – not to mention his charming Celtic routes.

Liam has more than 30 years of project finance experience and has been head of PF for the EMEA region at KEB Hana bank since 2019.

Prior to that, he was a managing director and head of special projects at Credit Agricole CIB. While there, he supported the City of London on its Green Finance Initiative and had a paper published on tidal power in Environmental Finance.

He was also a non-executive director of the bank's pension trustee and spoke at conferences on the importance of pension funds adopting green investment strategies.

He has also worked at CIBC and KPMG and is a qualified chartered accountant.

Ana Carolina Oliveira
ING

Ana Carolina Oliveira



Ana Carolina was recommended for the judging panel by *IJGlobal* editor Ila Patel who wrote a feature on ING last October and was impressed by her views on ESG.

Ana Carolina heads ING's sustainable finance team covering the Americas region. She works with ING clients in providing structuring and advisory of sustainable finance solutions, to support them in accelerating their sustainability transition.

She also plays an integral role in supporting ING's Terra approach, a commitment to steer its €600 billion lending book in line with the goals of the Paris Agreement to keep global warming to well below two degrees.

Ana Carolina also represents ING in supporting industry discussions as a member of the executive committee of the International Capital Markets Association (ICMA) and sustainable-finance related working groups.

She has extensive experience in advising clients on capital structure and working capital optimisation and previously has served as a director in ING's healthcare sector group where she covered US large multinationals and was one of the founders of ING global healthcare platform.

Prior to that she was a senior credit officer on the New York credit risk team beginning in 2012, after working four years at ING's environmental and social risk team in Amsterdam, when she supported ING in steering the Equator Principles review.

Before that, Ana Carolina worked in The Netherlands and in Brazil.

ESG Awards Judges

Sarah Roberts INTECH Risk Management

Sarah Roberts



Sarah first appeared on the *IJGlobal* Awards 2020 judging panel for Europe, coming on a recommendation from Guy Dunkley who heads the IJ Americas subscriptions team out of New York.

Guy rightly identified that Sarah would bring a fresh insurance dimension to the judging process and this was borne out by the experience of having her on the panel earlier this year.

Sarah took an active role in working on Canada's first P3 projects and these days splits her time between the INTECH offices in Toronto and Vienna.

She is heavily involved with designing and implementing insurance specifications in all major agreements forming part of large projects, including roads, bridges, tunnels, hospitals, schools, courthouses, and other major publicly funded projects.

Dr Patricia Rodrigues Jenner GLIL IC and AERIF board

Dr Patricia Rodrigues Jenner



Looking back over the *IJGlobal* archive and Patricia crops up quite a few times. One of the key appearances in these pages was when we announced her appointment to the UK's Green Investment Bank back in 2012.

Patricia is a real assets investment professional and non-executive board director with a breadth of experience across infrastructure, real estate and private equity.

Over the past two decades, Patricia has been an investment manager at Macquarie, multi-manager at Townsend and LP at the UK Government and PSP leveraging her cross-sector perspectives to carve a unique path.

Patricia's dual ambitions of investing well and seeking to protect the planet led her to join in 2011 the UK Government to help create the UK Green Investment Bank, the world's first green bank. Patricia has been a non-exec director at AERIF plc since 2019, focused on governance and investing sustainably in European renewables advised by the manager Aquila.

She is an independent investment committee member at GLIL, funded by leading UK pension plans to invest in UK infrastructure. Patricia began her career in finance with Morgan Stanley.

Lisa Shaw Vantage Infrastructure

The first mention of Lisa in the *IJGlobal* database dates back – impressively – to 2006 when we reported on her joining NIBC Bank from IKB. Those were the early days... the banking days.

Lisa Shaw



More recent (the last decade) career developments have seen Lisa play a prominent role in a couple of infrastructure funds where ESG has played an increasingly central role.

Lisa joined Vantage Infrastructure in 2013 and has more than 20 years' infrastructure debt experience. These days, she leads Vantage's global asset management for the debt business.

She is responsible for all of the debt team's analytical processes including ESG, credit assessment, valuation and performance. Lisa is a member of Vantage's debt investment committee and of the GRESB Infrastructure Debt Working Group.

Prior to joining Vantage, Lisa was associate director and head of portfolio management, infrastructure and renewables at NIBC Bank, where she ran a book of more than 120 debt transactions across Europe. She also worked for the infrastructure teams at IKB Deutsche Industriebank and Abbey National (now Santander).

Simon Whistler Principles for Responsible Investment

Simon Whistler



When it came to pulling together a panel for the ESG awards, we reached out to a few contacts for a recommendation for an organisation that plays a key role in this space... and Simon was singled out as the person to talk to.

By way of a compliment, it was not just the organisation that was identified as a good one to have on the panel... he was identified as "the right person" within the right organisation.

Simon joined PRI in June 2018 and leads the organisation's work on real assets.

He works with real assets investors to support their understanding and integration of responsible investment in their investment processes.

His most recent work has included projects on developing guidance for real assets investors on implementing the recommendations of the Taskforce for Climate-related Financial Disclosures (TCFD) and looking at the role of investors in relation to the sustainable development goals (SDGs).

Prior to joining the PRI, Simon worked for more than 10 years at Control Risks where he led a team providing political and social risk advisory support to investors and corporate clients in Latin America. This often involved carrying out pre- or post-transaction DD for major investments and operations, as well as assessing clients' social risk management and governance frameworks and performance. ■

IJGlobal 
Awards
2020 

This year we have gone all-out with the **IJGlobal Awards** to give the market something to celebrate in a year that has been remarkable for having little to smile about.

Congratulations to all the winners!

The Societe Generale Interview

Riding high on two regional awards for MLA as well as scooping the global lending trophy and a key financial advisory win, Societe Generale leading light Federico Turegano talks to *IJGlobal* about 2020 and beyond...

The *IJGlobal* MLA of the Year Award is one of the most hotly-contested prizes to be presented each year, requiring significant international financial closes in the previous calendar year to impress the independent judging panels.

Societe Generale achieved this by winning in Asia Pacific as well as Europe which – combined with scoring well with other regional judging panels – led to it picking up the Global MLA of the Year Award for 2020. To cap off its achievement, SG was also named African financial adviser of the year.

At the European judging session, established industry professionals admired its “broad range of transactions, in particular in renewable energy” while also singling out the French bank for being “impressively active in digital infra and displaying a level of involvement that comes across as a true MLA leader”.

One judge at the European session lauded the “significant roles it played” with another adding that Societe Generale had been involved in a “good selection of large-scale renewables and fibre transactions, delivering large transactions in emerging sectors”.



Federico Turegano

"The awards you have bestowed on us are very flattering. The amount of work we were able to achieve for our clients while working from home has been mind-boggling."

Meanwhile on the APAC judging team, one panellist was “impressed by the diversity of their portfolio” recognising the lender for being involved in “Taiwan’s first floating solar and the massive Ichthys LNG and Roy Hill iron mine refinancings” while also driving on “Taiwan’s offshore wind market and India’s solar portfolio financing market”.

While recognising an exceptional 2020, Federico Turegano – Societe Generale Global Head of Natural Resources and Infrastructure – says: “There is huge pride for what the teams have achieved in 2020.

“The awards you have bestowed on us are very flattering. The amount of work we were able to achieve for our clients while working from home – dividing time between work and family and pandemic worries – has been mind-boggling.

“It was a spectacular year for the business as far as advancing the topics of renewable energy and transition to clean energies in several markets, but also on the human side. I am deeply impressed and grateful for what was delivered in 2020 under extremely difficult circumstances.”

Societe Generale was recognised for being involved in the innovative Changhua Floating Solar Project in Taiwan



Olivier Musset - Global
Head of the Energy Group

 Emmanuel Chesneau - Global
Head of Trade Commodity Finance

 Herve Le Corre - Global
Head of Infrastructure Finance

 Stephanie Clement de Givry - Global Head
of Mining, Metals and Industries Finance


To 2021 and beyond...

However, it is the future that preoccupies Federico. His view of the market is heavily influenced by market shifts of recent years alongside climate announcements that are driving ESG and alternative energy up the agenda.

"All eyes are turned to where we go from here and how we accelerate energy transition alongside climate change and sustainability," says Federico. "This is a question being discussed right now – across every industry and sector including clients, journalists as well as my senior management – and all eyes are focused on the next few years when significant developments are going to have to be achieved globally by the industry as a whole."

For Federico – and the wider infrastructure / energy market at large – this decade will prove pivotal if global environmental targets set for 2040 and 2050 are to be achieved.

"This is the most critical decade for sustainable finance and renewable energy. If you look at the recent IEA paper, it estimates that as much as 50% of the technologies that will be applied to save the planet are either in prototype development right now... or don't exist," he says.

"So this decade is going to be fundamental and 2021 and 2022 will represent for Societe Generale an acceleration across all energy topics involved in energy transition. That includes renewable energy, hydrogen, digitalisation and the greening of all industries – whether that be oil and gas, metals and mining... you name it.

"We are looking at projects in green steel, attaching wind farms and solar parks to mines, while also looking at renewable energy technologies that are not quite ready for prime time – hydrogen and carbon capture.

"This year will witness an acceleration of everything we have done over the last few years. The pace is going to pick up and there's no going back."

Point of no return

This sentiment is reflected in *IJGlobal* readership where currently the single most searched word on the website is

"hydrogen"... even though all accept it is still at fledgling stage. However, in infra/energy, change can be blisteringly fast.

As Federico points out, when oil prices last May crashed and briefly even entered negative territory, this would traditionally have brought renewable energy developments to a grinding halt, but that did not happen.

"I think we have reached a turning point where there is no going back on the mindset," says Federico. "And that is just as true with the consumer as it is with the generating sponsors involved in transitioning the electricity mix.

"This is exciting. We have taken an irreversible step in the right direction and the only way to go now is the same direction – and faster." This is a sentiment that has spread through the teams that Federico leads at Societe Generale.

"For the oil and gas teams, they know the gas pipelines that today transport natural gas in one direction will continue to be useful when some day they may transport hydrogen, and why not some day CO2 the other way so they can be re-injected under carbon capture structures," he says.

"It is not a case of this or that team becoming an endangered species. On the contrary, they are already thinking about how to integrate an ESG roadmap into everything they do. And that's exciting. We plan to be right there alongside the sectors we follow as they reinvent themselves."

Geographic focus

As to where business will be driven, Federico highlights that 70-80% of the energy transition budget is expected to be deployed in Asia.

"We have financed renewable energy projects in something like 35 countries. Four or five years ago, we were probably at 25," says Federico. "We are opening several new markets every year that are getting their feet wet – whether that's floating solar in Indonesia and Taiwan, or offshore wind in Vietnam.

"We are seeing markets that have not historically been involved in renewables embracing alternatives. For Societe Generale, Asia is a huge priority."

But that is far from being the only growth region for SG. Federico adds: "In North America we are seeing a significant volume of activity around renewables, including offshore transactions."

But the conversation keeps turning back to hydrogen where there is "plenty of dialogue going on".

Federico says: "This time around, there is recognition that hydrogen is here to stay. Some of us are old enough to have seen hydrogen a few decades ago, but this time it's taking off – even if we don't yet know how it will evolve.

"Look at the renewables market less than a decade ago. All we talked about was how we couldn't wait until we could attach industrial scale batteries to wind farms so they can supply energy when the wind isn't blowing."

Hydrogen, Federico believes, is reaching a comparable juncture and that with the entire community backing the likes of hydrogen and carbon capture, commercial viability is far closer than some may think.

Embrace complexity

As for a final message to the market, Federico encourages people across the sector to be ready to "embrace complexity", because it's coming like a run-away train.

"In the energy transition in years to come, we are unlikely to have a single magic bullet," he says. "For example, in the United States in the first decade of this century, natural gas was critical in materially reducing emissions from the power sector as it switched away from coal.

"In the second decade, we have seen massive deployment of renewable energy globally and this now has sufficient momentum that it will (and must) keep going on its own.

"My sentiment is that there will be no single magic bullet, rather a host of technologies of varying and increasing complexity that will provide the solutions we need across multiple markets. And we're all going to have to be ready to move with the times.

"Complexity and pragmatism will rule the way going forward." ■

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The ACWA Power Interview

ACWA Power chief investment officer Rajit Nanda speaks to *IJGlobal* about a successful 2020 that saw it pick up four *IJGlobal* Awards for deals closed in the Middle East and Africa

Looking back at the 2020, ACWA Power has plenty to celebrate – with the latest achievement being to win four awards for deals closed across the calendar year in the Middle East and Africa.

Rajit Nanda, chief investment officer at ACWA Power, runs through the latest accolades with wins for the refinancing of Al Dur phase II IWPP; MENA Renewables Deal of the Year for DEWA V; MENA Water Desalination prize for Jubail 3A; and a prize in the renewable energy refi category for Bokpoort CSP in South Africa.

Here Rajit runs through the successes of 2020, celebrates four trophies and a host of achievements beyond.

Our projects are crucial sources of power and water supply to its nations of operation. Our topmost priority is ensuring smooth operations and timely construction of our projects with zero compromise on quality, health and safety, and reliability.

ACWA Power is currently constructing eight projects in the region with an aggregate capacity of 6.85GW of power generation and 530MIGD of water desalination. This represents an aggregate investment of \$12.55 billion.

The projects being constructed include the 950MW Noor-1 CSP project in Dubai, the largest renewable energy project in terms of cost and energy storage; the 200MIGD Taweelah IWP in Abu Dhabi, the largest independent water desalination project; and Sirdarya 1500MW CCGT plant, ACWA Power's maiden project in Uzbekistan that achieved financial close in April 2021.

Additionally, ACWA Power is currently operating 38 plants across nine countries, employing more than 3,500 persons. Each of our sites employ thousands during the construction phase and tens to hundreds of persons during the operating phase – depending on the nature of the plant.

We do not compromise on the health and safety of our personnel. Managing the site team especially during the early months of 2020 when there was uncertainty over the nature of the virus and impact on execution resulting from travel restrictions, logistical challenges and lockdowns has therefore been a challenge.

Through our centralized oversight, dedicated project managers on the ground and the support of our EPC contractors and government stakeholders, we have

managed to ensure that the construction activities progress without inordinate delays.

Initiatives like daily awareness sessions, health monitoring and welfare management were taken to keep people safe and protected along-with building multiple teams and redundancy shifts. Our execution and operational acumen and risk management abilities extend confidence for our government clients, investment partners and lenders to work with ACWA Power to develop new projects.

A busy 2020

During 2020, ACWA Power has developed and financed projects in the clean energy and water sector across Dubai, South Africa, Oman, Saudi Arabia and Bahrain representing

- 1,400MW of solar PV capacity across two projects in Dubai and Oman, representing \$965 million of investment and raising \$700 million of senior financing
- 132MIGD of RO water desalination in Jubail 3A IWP project of Saudi Arabia, representing \$650 million of investment of which \$480 million was funded via debt

At the same time ACWA Power undertook three refinancing transactions, aggregating \$740 million that enabled it to diversify the debt pool, increase loan tenors and improve shareholder value for the respective projects.

Raising \$1.9 billion in the midst of the pandemic and the accompanying economic downturn was challenging. The financing was raised in the context of banks across the region were under pressure from governments to reduce long-term lending and prioritize retail and SME borrowers versus infrastructure projects and focus on in-country lending and reduce overseas transactions.

Raising financing in sub-investment grade jurisdictions such as Oman, Dubai, South Africa, Bahrain are challenging even in the best of times. However, these regions have been severely hit by the slump in economic activity due to the pandemic.

GCC nations are already reeling under the slowdown from the oil price crash prevailing for the past 4-5 years. Raising \$1,175 million of competitive financing on a long-term basis across four transactions in



"Our topmost priority is ensuring smooth operations and timely construction of our projects with zero compromise on quality, health and safety, and reliability."

these jurisdictions which – especially in the midst of the pandemic – was a significant achievement.

In these transactions, the relevant teams worked closely with the banks to ensure that the lenders continued to stay committed and support the transactions during the several months of the financing process despite shifts in the financing markets arising as a result of the pandemic.

During 2020, ACWA Power forayed into a new country with the development of the 1500MW Sirdarya CCGT Project in Uzbekistan. This transaction achieved financial close in April 2021, raising \$750 million.

ACWA Power is also actively pursuing opportunities in other regions in Central Asia Africa and South Asia and will continue to support these nations in their path to diversify its energy mix and increase its renewable energy capacity. ■

The Herbert Smith Freehills Interview

Having won *IJGlobal* Legal Adviser of the Year for Europe and acted on numerous award-winning deals, Herbert Smith Freehills partners Lewis McDonald and Gavin Williams speak about a year like no other...

2020 was a good year for Herbert Smith Freehills (HSF), capping it off by winning *IJGlobal* Legal Adviser of the Year for Europe having worked on a swathe of deals to be singled out for awards in their respective sectors and regions.

At the European judging session, the independent panel of industry experts lauded the international law firm for having brought to financial close in the 2020 calendar year an "impressive, diversified portfolio of successful deals".

Another judge went on to say: "HSF stood out in a very competitive category as a firm with a great variety of transactions, multiple sectors and geographies. The firm's submission clearly set out key challenges and how it worked with clients to resolve those to deliver successful projects."

The praise kept rolling in with yet another judge adding: "Herbert Smith Freehills had a strong year and some interesting deals which made it a winner." The

judge continued: "There was a good mix of traditional infra and transition, which included working on the BP Equinor deal – a key strategic step for BP – and an interesting interconnector."

However, one judge rounded it off nicely saying: "It's always good to see HSF at the table. When they're involved, you know you're dealing with a well-rounded team with bags of experience."

Gavin Williams, global co-head of infrastructure at HSF, says: "2020 was a phenomenally busy year for us across infrastructure and energy. Teams involved in digital infrastructure – particularly fibre, data centres and towers – across the continent have been super busy.

"Renewables was also relentlessly busy throughout the year. Sarah Pollock and Silke Goldberg were involved in BP's first foray into offshore wind in the US with Equinor. While this was a US deal, the deal was negotiated entirely in Europe."

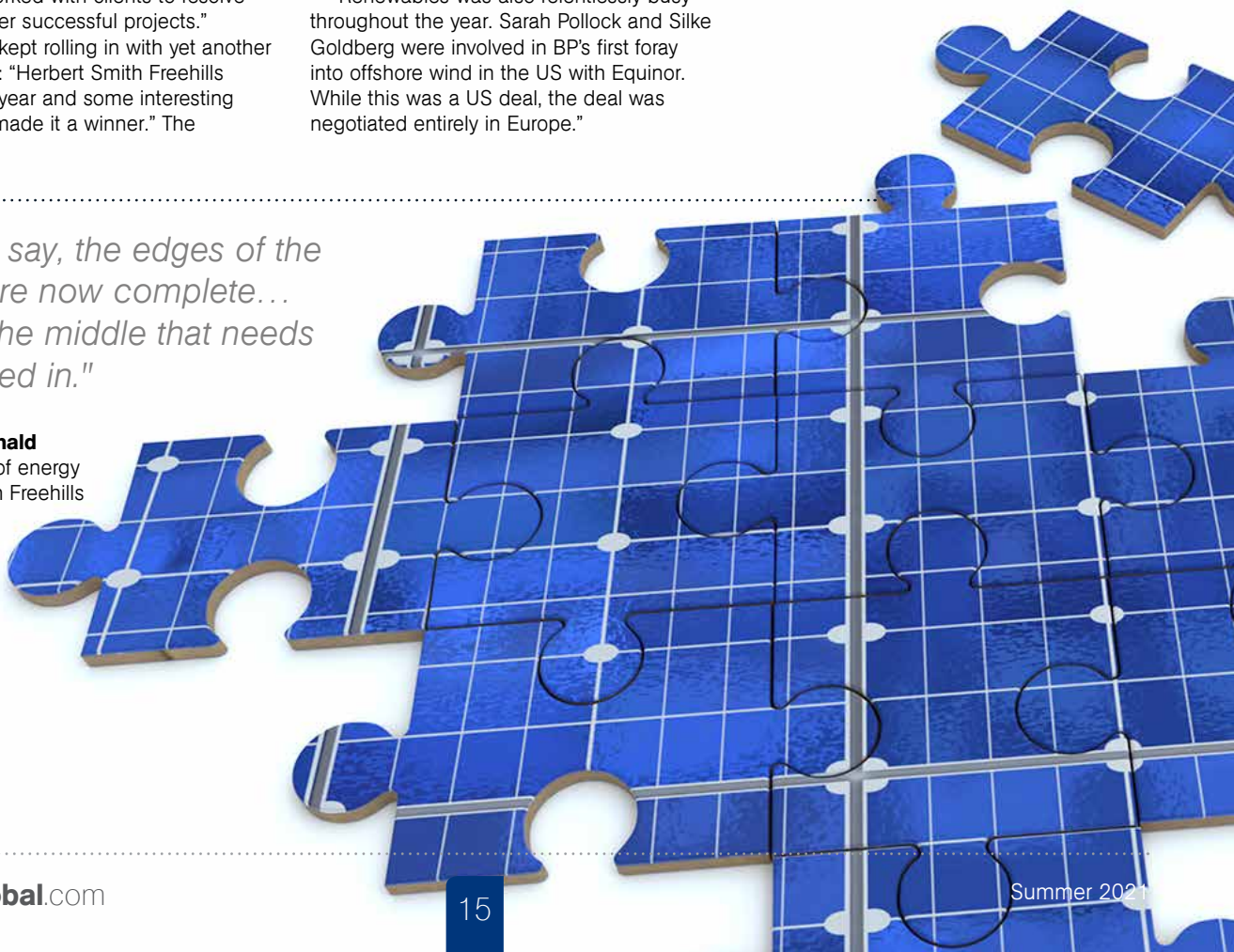
He adds: "With Net Zero all of a sudden coming front-and-centre – having been on the fringes of people's investment strategies for years – the demand now for clean power is phenomenal."

Lewis McDonald, global head of energy at HSF, agrees: "The trends around the move to Net Zero have been looming for many years. If you think back, the Paris Agreement was inked in 2015 and it has taken time for that to settle in and be incorporated into national policy and legislation.

"In 2020, with the pandemic, slump in oil prices and corporates starting to respond to governments' movement towards Net Zero – you're starting to see the real acceptance of this as the new norm.

"As they say, the edges of the jigsaw are now complete... it's just the middle that needs to be filled in."

Lewis McDonald
Global head of energy
Herbert Smith Freehills



Gavin Williams



"With Net Zero all of a sudden coming front-and-centre – having been on the fringes of people's investment strategies for years – the demand now for clean power is phenomenal."

"Take, for example, the larger integrated energy companies. They have accepted this new reality and put it at the top level of their company strategies, incorporating it into their visions as to what sort of companies they want to be."

McDonald & Williams

It is this shift in the market that is driving business for Hebert Smith Freehills and, while more traditional infrastructure and energy sectors remain vibrant, there is a frisson of excitement over cutting edge deals.

"The course is set and we're starting to see deals come through, proving this strategy is real," says Lewis.

Gavin adds: "Closer to home, there is already a lot of activity around UK regulated assets, the conclusion of various regulatory reviews towards the end of last year has reset the cost of capital expectations and – for some investors – that will mean it is no longer part of their strategy. For others it means an opportunity to invest in the UK as a well-regulated infra environment. We

are already seeing a lot of activity around UK water and there are several assets in the gas space.

"More widely in power and renewables, we expect a trend towards platform establishment, investing to continue. In the super-competitive markets of renewables and digital, a lot of investors – particularly deep-pocket sovereign money – are looking for more creative ways to find their way into those assets.

"They know that they are the future and they are fed up with being outbid in auctions. This is where platforms come in... where you internalise expertise, go further back down the development curve – or higher up the risk curve – developing the capacity to build assets from scratch. For many, this is a better option than waiting for someone else to do it and then investing in them. We see this developing at pace."

HSF speaks from experience on this front having just acted for CPPIB on one such deal and on a transaction for another Canadian pension fund that has yet to be made public.

Lewis joins in: "As the renewables space becomes increasingly competitive for brownfield and primary leases, it is causing companies to think differently about where they want to compete. They are moving into the development space, and even into other – less obvious – businesses that might feed off the broader trend.

"This includes the likes of companies that are developing technology or services that feed into the underlying core trend of renewables."

This trend includes the likes of hydrogen and floating wind energy.

"We are seeing a lot of interest in those," says Lewis. "Clients want to hear a lot more about it from us, but those areas still need a lot of work at the government level to build business models and make them work. A lot of our clients want to get involved in shaping this transition to help create investable business models."

As they say, the edges of the jigsaw are now complete... it's just the middle that needs to be filled in.

"During the course of the next 12 months we will see that picture being completed – certainly in the UK. Germany is also well advanced," says Gavin. "A lot of structural money has come from the EU, particularly to Spain and Italy, which comes with green strings attached.

"There is particular impetus for these projects to become investible sooner rather than later because that's where governments want to take their energy policies. But at the moment, they haven't worked out the right risk allocation to crowd in private capital."

Lewis McDonald



"As the renewables space becomes increasingly competitive for brownfield and primary leases, it is causing companies to think differently about where they want to compete."

Lewis adds: "The problem this creates for us – and companies involved in this space – is that if they have traditionally looked at more conventional renewable energy sectors, they now have to shift to create value from different technologies... that's a different mindset and it's incumbent on us to converge our skills to make them available to the client."

And this plays to the strength and breadth of the HSF team having a full suite of experience tackling projects across multiple sectors in numerous geographies.

This leads one to think that 2021 (and beyond) holds an exciting future for law firms like HSF that position themselves ahead of the curve in a constantly-evolving infra/energy market. ■

The **Quinbrook** interview

Quinbrook Infrastructure Partners has been voted the *IJGlobal* investor of the year for North America, recognising the role it played on transactions in 2020, particularly its delivery of direct and measurable ESG. Co-founder and managing partner David Scaysbrook spoke to *IJGlobal* about the previous year and the direction the investor is headed in 2021 and beyond.

Quinbrook has built a reputation for staying ahead of the curve in energy transition, making moves before others and positioning itself in newer markets, capturing that essential first-mover advantage.

It's hard to keep doing that consistently but that's the challenge Quinbrook has set itself - to become a leader in areas that are relevant to its mission of cheaper renewables, decarbonisation and driving Net Zero.

It is for this reason that Quinbrook was selected for the *IJGlobal Awards 2020* Investor of the Year by an independent panel of judges. As one judge said: "Given the current emphasis on green energy, net zero carbon footprint, and environmental stewardship, Quinbrook's engagement in the sector makes them the clear frontrunner in this category this year."

Other judges said Quinbrook had an "impressive portfolio of innovative green energy and data projects, demonstrating leadership in what can only be significant growth areas" and showed "clear and concise examples of sustainable investments".

And one judge said that due to its investments in new infrastructure assets: "Quinbrook delivered direct and measurable ESG impact across job creation, preservation and training, carbon emissions reduction, environmental improvement, local community financial and social benefits.

Quinbrook's diverse portfolio of cutting-edge technology investments puts it at the forefront of the accelerating energy transition to achieve 'Net Zero' emissions from the US energy supply system."

Quinbrook's win was based on 3 key investments, a green data centre joint venture plus a record breaking solar and battery storage project, and a large scale wind platform built from a startup.

The specialist investor formed a joint venture (Rowan) with Birch Infrastructure to develop and commission new 'powered land' solutions for mission critical, hyperscale data centres that take advantage of low-cost renewable power. David Scaysbrook, co-founder and managing partner of Quinbrook said: "This was a good example of how we felt we could apply our developer DNA to capture new high growth opportunities. Even though we are a fund manager we have mostly energy industry experts in our team. We wanted to continue to focus our core skills in new asset creation by marrying the needs of energy intensive industry with our developmental ability in renewable projects.

"We aren't data centre experts, but we are highly experienced in development-led renewable power solutions and felt we were qualified - if we could find the right partner - to go after this particular customer segment undergoing huge growth in power demand. In Birch we found a partner - who



"We wanted to continue to focus our core skills in new asset creation by marrying the needs of energy intensive industry with our developmental ability in renewable projects."

.....
 was very sympatico with us - halfway down this path. They brought their data centre experience and we brought our renewable energy experience. This is indicative of our future direction in developing and supplying innovative and low cost zero carbon power solutions to energy intensive customers."

Green data centres is a new thematic for Quinbrook. It is the first transaction in the area, setting the foundations for what it believes will be many more investments to come. There are over 20 sites in the joint venture portfolio pipeline already and Quinbrook and Birch are actively working on 3 additional data centre projects in advanced negotiations, one in Australia and 2 in the US. "We are branching out into not only enterprise and high-performance computing but also dedicated block chain data centres, another high growth sub-sector we are increasingly interested in," says Scaysbrook.



Quinbrook launched Primergy Solar in 2020 to acquire, develop and operate solar PV and battery storage projects in North America with the \$1.1 billion capex, 690MW Gemini solar + battery storage project believed to be the largest solar-powered battery storage system in US history. By historic standards, Quinbrook's Primergy Solar went through the permitting process far faster than expected by taking advantage of a Trump initiative called Fast 41. This law requires all federal agencies to consider new project applications in 12 months. So what could take 3-4 years actually got done in less than half the time. Scaysbrook said: "We didn't realise at the time that we were negotiating the biggest solar project in US history!"

The Gemini project is also using a DC coupled system which uses an electrical configuration designed to add more efficiency and is one of the first DC-coupled solar battery storage systems of its size in the US.

A third standout deal for Quinbrook was Glidepath Power Solutions, a start-up business that it acquired in 2017. At the time, Quinbrook was looking for a team that had expertise in battery storage which was a growing sector but still very nascent and risky. Fast-forward to 2020, Glidepath has grown to a portfolio spread over 19 US states and a near \$5 billion potential capital investment pipeline of battery storage projects.

In February 2020, Glidepath announced that it would complete development and achieve construction readiness on one of the largest portfolios of standalone battery storage projects to date in New York State after receiving an incentive award from the New York State Energy Research and Development authority (NYSERDA).

The portfolio consists of 4 X 20MW battery storage projects which would more than double New York state's current storage capacity, providing a cleaner, more efficient and lower-cost alternative to the fossil fuel plants that presently provide peaking power and ancillary services.

Quinbrook's 2020 goals and looking ahead

"In 2020, most if not all of the goals we set for the year were achieved," says Scaysbrook. Those goals included:

- fully allocating the Low Carbon Power Fund by the end of 2020
- getting the UK flexible power portfolio to scale and hitting the 300MW target size threshold
- diversifying into a new sector: management of flexible power assets and demand response in the UK by acquiring Flexitricity towards the end of 2020

The Scout Clean Energy's Bitter Ridge Wind Farm construction was completed in 2020



- completing construction of Scout Clean Energy's Bitter Ridge Wind Farm in Indiana
- securing final US Government approvals for the Gemini Solar+ Storage project in Nevada
- merging the Energy Locals and Energy Trade distributed energy businesses in Australia and hitting the 50,000 contracted customer connections target

A few big thematic areas that Quinbrook is focusing on in 2021 are foundation solar and battery storage hybrid projects. Solar and battery storage is disrupting power markets because of the low cost of renewable electricity they can generate, the Gemini deal being a perfect example of this.

"We want to take our experience in the coupling of solar and battery storage and help energy-intensive industry to decarbonise through the supply of low cost renewable power," says Scaysbrook.

"Another key area that we want to enhance our expertise in is the application of digital and advanced data analytical technologies to better differentiate our projects and boost the value of our infrastructure assets. This is where we will focus on the application of machine-learning and artificial intelligence to optimise the dispatch and management of our assets. This is where we think the market is heading and is consistent with our role as a 'hands on' active asset manager".

Quinbrook is also looking at green fuels and green hydrogen production - both areas that it is monitoring closely because they are areas that it feels will grow and mature in different countries at different times. "Australia and certain states in the US that have a strong endowment of renewable energy resource could become

the epicentres of cheap power and we believe this is where new green industry will be built".

"Australia is naturally endowed with a competitive advantage to be an exporter of products and commodities that can be manufactured or processed with low carbon impact by using cheap renewables. It has cheap and vast land mass, abundant solar, wind and transport logistics enabling the competitive manufacture of green hydrogen, metals, ammonia and other green transport fuels. This changes the landscape and explains why we do certain things in certain places and not others and who our customers are or are likely to be".

"Last year [2020] 90% of all new power capacity added on the planet was renewable so the next question is: what do we do with all that cheap clean power? We want to substitute and electrify industries that are still using fossil fuels, that is where Quinbrook is heading," says Scaysbrook.

Scaysbrook explains that hydrogen is much like aluminium, with a lot of electricity effectively embedded in the end product so the bigger energy intensive projects will gravitate to those locations that can produce it the most cheaply. "Texas and Australia have enduring competitive advantage so these places will likely become preferred host locations for the large scale manufacturing of green hydrogen as just one example. Green hydrogen is an industry that will be like a bushfire, once it starts it will rage!"

Regionally, Quinbrook tends to stick to countries and markets it knows well - UK, Australia and North America - and has no current plans to venture outside of those territories. Scaysbrook says: "According to EY, the US, UK and Australia are 3 of the top 5 to invest in renewable energy globally and we are already operating at scale in each of them. It's a big decarbonisation challenge in each of those 3 markets over the many decades to come. These countries are so opportunity rich that we don't really need to go off frontiers."

Given that Quinbrook has just 20 investment professionals globally, it certainly gets a lot done! "We haven't missed a beat because of COVID-19 given the continuing velocity of our work, and in fact our workload has likely doubled in intensity" says Scaysbrook. "We want to continue to move into smarter areas of the market offering better returns before our competition, we aren't interested in doing the biggest deals for the sake of it although we'll continue to do benchmark transactions or precedent-setting deals if they make sense - it's really about staying ahead of the curve and trying always to be the best investor we can be for our clients." ■



NORTH AMERICA INVESTOR OF THE YEAR 2020

Quinbrook Infrastructure Partners, a specialist investor in low carbon and renewable energy supply, storage and grid stability infrastructure, has been recognized by IJGlobal as North American Investor of the Year for 2020.

Quinbrook's North American investments represent a diverse array of portfolio companies and projects spanning onshore wind power, solar PV, battery storage and decarbonization solutions for hyperscale data centers. Quinbrook is pleased to acknowledge the recognition by its industry peers of the team's efforts to progress the energy transition through the creation of new and impactful energy infrastructure.



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quinbrook.com

Quinbrook is not a paid subscriber to IJGlobal nor did it pay as a condition of eligibility. The awards are not indicative of future performance. IJGlobal awards are made based on nominations by market participants, including Quinbrook, and assessed by a panel of independent judges comprising financial market professionals, academics and independent experts. Quinbrook was the only firm designated as '2020 North American Investor of the Year' among a group of four investors considered by IJGlobal's expert panel in this category.

The DBS Interview

Winner of the *IJGlobal* Financial Adviser of the Year 2020 for the Asia Pacific region, DBS has a strong reputation among peers and clients for dependable service

From its roots as Development Bank of Singapore to today as Southeast Asia's largest bank by assets, DBS is a mainstay across Asia's energy and infrastructure finance market.

DBS provided financial advice on many consequential transactions that closed in 2020. Our team of Asia-based independent judges, who virtually met in April this year, voted the Singapore-headquartered bank *IJGlobal* Financial Adviser of the Year for the Asia Pacific region.

"DBS had a strong diversified set of mandates with a robust green focus," said one of the judges.

DBS global head of project finance Subash Narayanan reflects on the judge's remark.

"It's spot on in terms of what we are trying to do as an Asian bank," Subash says. "We're very happy to know the market is recognising us in the renewables space. We've seen our exposure to renewables grow rapidly during the past few years – from S\$0.29 billion in 2016 to S\$4.2 billion in 2020."

In 2020, DBS participated across a range of technologies in renewables, including on- and offshore wind, hybrids and geothermal. Its advice on 2 floating solar financings – the large, groundbreaking 180MW Changhua Lundong floater in Taiwan and the 60MW Tengeh Reservoir floater in Singapore – caught the eye of judges.

DBS also led financing on Vena Energy's 100MW / 150MWh Wandoan energy storage in Australia – Australia's first utility scale battery project that did not receive any government assistance.

"Our spread across technologies gives us the confidence we can do more," Subash adds. "We have upcoming battery deals, including important mandates in India and Indonesia's renewables-plus-battery-storage markets. We continue to move up the value chain tackling state of the art technologies."

The judges also candidly discussed DBS' performance. "I really struggled because of the coal project," said a judge. Others echoed the sentiment.

DBS was the financial adviser on the 2GW Java 9 & 10 coal-fired power complex in Indonesia. The bank raised \$1.1 billion of \$2.5 billion from commercial banks, one of Indonesia's largest commercial tranches for greenfield IPP financing.

Subash takes the feedback in stride as the Indonesian project is the bank's last in coal.

"We were one of the early Asian banks to come out with a coal phase-out strategy, exiting first sub-critical coal and now all of coal power including greenfield IPPs," says Subash.

"We had the Java mandate since 2017. It was important for our commitment to clients that we finish the job because they value steady, dependable and resourceful teams with lots of patience and perseverance, especially in Asia where advisory mandates can take many years."

DBS also had to manage challenging aspects of conflicts of interest. A subsidiary of Indonesian state-owned utility PLN held a majority in the project company. The deal required a bespoke corporate governance solution to satisfy lender concerns because PLN was also the offtaker. It's a possible model for future Indonesian IPPs.

"This was the first deal closed with a PLN subsidiary as majority shareholder," says Subash. "Indonesia adapted the shareholder/offtaker model from the Middle East. However, a major difference is the Middle Eastern sponsors tend to be investment grade – A or AA rated entities. Here, the PLN subsidiary was a BBB first time risk. The commercial banks and the long-term debt providers, the Korean ECAs, had to work towards quite a different funding plan."

The World Bank negative pledge with Indonesia preventing lenders from securing the assets of state-controlled projects also complicated the structuring.

A judge complimented DBS' tenacity in working with a large state-owned sponsor. "They had to work around the PLN and all the share pledges issues. It was an important and difficult deal," said the judge.

Java 9 & 10 also demonstrated the bank's growing capabilities in equity advisory. Subash's team worked with the DBS strategic advisory team to bring in Kepco as a foreign sponsor. "We're venturing more into the M&A space," he says.

DBS is also equity financial adviser on a gas-fired power plant in Bangladesh.

Subash stresses the importance of repeat clients like Sembcorp, A Singaporean energy and urban development company. He also emphasises the bank-wide capabilities at DBS.

Subash Narayanan



"We're very happy to know the market is recognising us in the renewables space."

"It's pleasing to see clients appreciate our work and want us in the mix again. Repeat clients validate the work we do and the value we provide," Subash says. "We are also keen to bring in ancillary, value-added services, such as being the account bank or providing a performance bond."

DBS was FA, MLA, account bank, facility agent, security agent and hedging bank for the financing of the 180MW floating solar in Taiwan.

Asia's financial advisory market is distinct from other regions. A main difference from Australia, Europe or the US is the time these mandates need to close.

"In Australia or Europe," says Subash, "a sponsor may plan for a 12-month transaction. It will tend to get done within 12 to 16 months. Here in Asia the expectation is double that, if not more. Not only does the market need patient capital it also needs teams that prize perseverance to follow the deal through."

Subash reflects, "Clients value people who understand local markets. We need to have people with patience and, as an Asian bank, we know how the market works." ■

The **Fitch** Interview

In an unprecedented period of uncertainty and change, Fitch Ratings stood out from its competitors in the global infrastructure sector. It is for this reason that it picked up *IJGlobal* awards for ratings agency of the year in all 4 regions - MENA, APAC, North America and Latin America.

Fitch had an outstanding 2020, with its global infrastructure & project finance team consolidating its market leader position by actively monitoring the performance of 900 transactions globally and adding 60 new issuers to its portfolio.

But what made Fitch really stand out in 2020 was its response to the pandemic and its ESG leadership:

- In infrastructure, Fitch had 569 investor interactions globally, including 102 investor roundtables, 73 Fitch-hosted webinars, 9 conference presentations and 244 one-on-one investor meetings;
- It was the only ratings agency to provide complimentary access to a dedicated Coronavirus website featuring research, multi-media content and webinars on Fitch's perspective on the credit and economic impact of the pandemic.

Cherian George, global head of infrastructure & project finance at Fitch, said: "Our response to Covid-19 has been excellent. We reviewed our 900 ratings globally in 2020, and multiple times with more than 50% in the transport space. Given that this was the sector most impacted, from March 2020 onwards we systemically went through the entire

portfolio and provided credit views."

With ESG, Fitch is currently the only ratings agency with an integrated, comprehensive, systematic and credit-focused approach showing how ESG factors affect credit ratings from the sector to entity and transaction level.

In the global infrastructure sector, Fitch has 4,550 unique data points capturing the impact of ESG factors in its credit views.

ESG leadership

Given the importance of ESG in investing and to governments and society at large, Fitch has enhanced transparency in this space over the last few years. "Our ratings criteria incorporate all the major aspects of the risks associated with transactions in project finance and within each risk are ESG elements such as building in sensitive areas, the carbon footprint of projects and the importance of governance", says George.

Fitch has created a system of providing relevance scores where investors can connect ratings criteria to ESG elements and risk associated with it. "We score them on a scale of 1 to 5, where 1 has little relevance and 3 has relevance but won't have a material impact meaning it won't

Cherian George



"The pandemic and the shutdown of the global economic threw a curveball at us. However we have such an experienced team that they were able to respond very quickly with strong analytics."



.....

affect the rating. But the moment there is an issue - whether positive or negative - where the ESG related factor is affecting our rating, it gets a 4. And if it results in a change in the rating, it gets a 5."

What Fitch provides is an 'ESG Navigator' that offers investors the tools to make a judgement. "A rating tells you what the credit risk is, the ESG navigator tells you that if you have an ESG focus, these are the parts of the credit that are being affected", says George.

Stress-testing

The focus for Fitch in 2020 was to improve the quality of its products, increase transparency, continue with ESG leadership and build out the team further.

“The pandemic and the shutdown of the global economic threw a curveball at us”, says George. “However we have such an experienced team that they were able to respond very quickly with strong analytics. A great example of this was in March 2020 when we knew we had a problem, we scanned all the areas we cover quickly, and commented publicly to the market, concluding that transport would be the most impacted and that contracted projects would be less so because of the stability of counterparties.”

Fitch then began looking sector by sector, and came up with stress tests. It was the only ratings agency to publicly disclose coronavirus stress tests across transport, in every region and in every sector. “To this day, I haven’t seen any other agency do that”, says George.

George added that a year later, Fitch’s views have “stood the test of time”.

“Fitch doesn’t make blanket decisions, every market is different, every region is different, and you need to make selective decisions based on the conditions there. Airports unsurprisingly had a negative outlook with some downgraded and toll roads to a lesser degree. Seaports surprised us all. They outperformed any historical benchmark because coronavirus does not affect goods.”

Fitch also put in place quarterly global Covid-19 trackers to show traffic trends, region by region relative to infection rates. “The market found these macro and micro perspectives throughout the year very valuable”, says George.

Digital Infrastructure

While digital infrastructure is not a new sector, Covid-19 has highlighted the importance of this asset class, particularly for governments to equip the population with access to networks.

One notable transaction Fitch worked in this sector was SummitIG’s high capacity network of fibre optic cable assets in Virginia. Fitch assigned A-, BBB- and BB-ratings to 4 series of notes, totalling \$225 million. The transaction, which replicates structures that have been used for cell tower and data centre financings, was a landmark first financing of its kind of fibre assets.

Fibre remains an emerging infrastructure asset class with the SummitIG transaction being the first North American non-recourse fibre bond financing since Fitch rated the Kentucky Wired Infrastructure Company P3 in 2016.

Kentucky Wired and SummitIG transactions were very different in that Kentucky Wired was an availability-based P3 project that didn’t feature market or re-contracting risk while SummitIG transaction did, albeit largely mitigated by its strong position in an important market and high barriers to entry.

Staying one-step ahead

George believes that infrastructure, energy and digital investments are growing at a tremendous pace with not just new construction, but M&A activity, refinancing and restructurings.

“2021 has been a continuation of 2020, with a focus on even better products, enhancing the quality of our research and asset performance information to provide value-added analysis to the market. There are legacy sectors that we continue to focus on but in our space people are always innovating and coming up with new ways of doing things which requires us to be one step ahead in our thinking.

“We say what we do, and then do what we say - both are important.”

George says that Fitch will continue to focus heavily on renewables, an area of tremendous strength globally as we rate transactions in every region; in developed and developing markets.

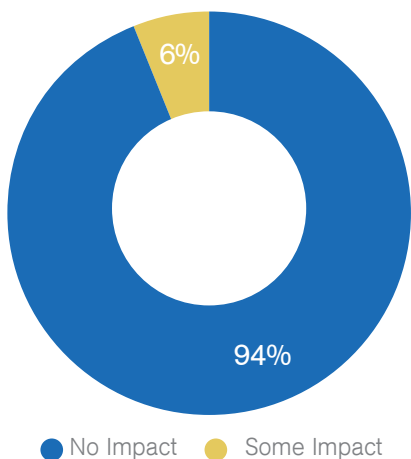
“Other area of focus for us are emerging technologies and sustainable fuels in the energy transition mix. Batteries and green hydrogen technologies and cost considerations are evolving as we speak, and consequently are areas we seek to improve on,” says George.

“The Middle East is also growing significantly with energy, transport, social infra and sports transactions emerging.”

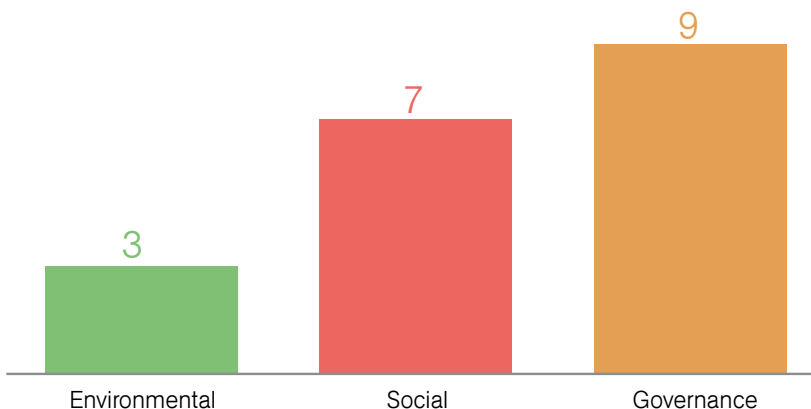
George adds: “We are a global company with global presence but we are very conscious of the fact that local considerations make a difference and having people on the ground who understand that better allows us to provide the market with a complete and transparent view of credit risk.” ■

ESG Relevance to Fitch’s Project Finance Credit Ratings

Relevance to Issuer Portfolio



ESG Elements Driving Issuer Credit Impact (ESG Score of '4 or 5')



Source: Fitch Ratings, scores at launch time

The **White & Case** Interview

IJGlobal speaks to White & Case partner and Head of the Africa Group, Mukund Dhar about a highly successful 2020 and the international law firm's aspirations for Africa in the coming years...

Spring-boarding out of a hugely successful 2020 in which White & Case was crowned African Legal Adviser of the Year in the *IJGlobal* Awards, the international law firm is gearing up to cement its position as the market leader.

The independent panel of judges for the Africa session of the *IJGlobal* Awards 2020 singled out White & Case for plaudits based on a "really interesting selection of deals", recognising that "getting any project finance done in Africa is hard, so having so many deals is impressive".

Another judge said that "White & Case demonstrated a real depth of expertise and led in complex and challenging transactions", while another saluted a "significant scale of projects" including "complex LNG projects that are difficult to close from a legal perspective".

Yet another judge said: "It is clear that White & Case added significant value towards making these transactions a success. I particularly liked the Compagnie des Bauxites de Guinée MUOA expansion financing in respect of the proactive contribution towards incentive structures built in to promote conservation efforts at the national park."

These comments from the awards judges cap off a busy year for White & Case during which it was the single most active legal adviser in the *IJGlobal* legal adviser league tables for Africa, securing a 17.7% market share across the continent and leading its closest rival by a considerable margin for deals to have made it to financial close in the 2020 calendar year.

White & Case success in 2020 spanned multiple regions, industries, sectors and involved a host of practice areas and offices from across the globe.

White & Case acted for the lenders on the landmark Nigeria LNG Train 7 financing, a deal that brought a host of local and international banks to the table with an ECA-backed US\$3 billion multi-sourced corporate financing package for the Bonny Island LNG Complex. The firm also played a pivotal role on the Atinkou deal – winning *IJGlobal* Editor's Choice Award 2020 for Africa – advising its shareholder Eranove on the structuring and €404 million financing of a 390MW natural gas-fired power plant

located close to Jacqueville, some 40km west of Abidjan, using highly efficient combined-cycle turbine technology.

Another landmark deal for White & Case was the MUOA expansion financing for Compagnie des Bauxites de Guinée. This involved a 40-year tie-up between the Republic of Guinea, aluminium producer Alcoa, global miner Rio Tinto and alumina and chemicals company Dadco and the owner and operator of a bauxite mine and associated rail and port complexes in Guinea. White & Case advised the lenders – IFC, the US DFC, BNP Paribas, Credit Agricole, ING, Natixis and Societe Generale.

And that's just scratching the surface for the firm's activity across the continent.

Mukund Dhar says: "We are very pleased to have been awarded *IJGlobal* Legal Adviser of the Year for Africa. We feel it recognises the work that our teams from across the globe have done involving projects in Africa over the last year. It reflects our experience and expertise, our long standing commitment to the region and the investments we have made into our Africa practice over a number of decades.

"This recognition is important for us in that projects and project finance work is very much a part of White & Case's DNA and we have always been and remain committed to working in emerging markets. In particular, the work we have done in Africa for the last 40 plus years brings together quite nicely the firm's expertise, experience and well-earned reputation in the world of projects and infrastructure finance.

"Not many other firms active in Africa can point to a practice that is as diverse, in terms of transactions and geography, as the one we have developed. Whether that be oil and gas, mining, power or infrastructure; work for sponsors, governments, lenders or investors; activity across anglophone, francophone or lusophone Africa, we have a unique combination of capabilities that gets deals done.

"We see a clear, sustained and growing emphasis on projects and project finance in Africa going forward," says Mukund. "A big part of the value we add for our clients is the support we give them – not just from London, Paris or the Middle East, but from on the ground. For us, these centres are

Mukund Dhar



"This recognition is important for us in that projects and project finance work is very much a part of White & Case's DNA and we have always been and remain committed to working in emerging markets."

in Johannesburg and Cairo, and we have been building capability there for years. We reinforce our own experience with that of leading independent law firms from across the continent – we work regularly with them and genuinely think of these firms as friends and partners in delivering excellent work for our clients.

White & Case was one of the first international law firms to open in South Africa and it opened an office in Cairo in 2016. The Johannesburg team has grown in recent times with the arrival in May of market leading debt finance partners Lionel Shawe and Sibusiso Zungu. The two lawyers along with their team joined from Allen & Overy and greatly enhance White & Case's pan-African offering. "And our Cairo office has also really knocked it out of the park over the past few years – truly impressive results given that the office opened only in 2016," says Mukund.

The White & Case direction

Africa remains a clear region of focus for White & Case and the law firm's ambitions for the region are underpinned by topping *IJGlobal's* legal league tables for the continent.

As Mukund says: "The stand-out experience of the last few years is that the future of projects in Africa is not all about traditional project finance as it was understood ten years back. We are seeing a lot more exotic funding structures, complex capital stacks, hybrid models... for us, it is important that we not only are experts at delivering greenfield projects in the traditional sense – but that our clients benefit from teams that understand and are able to deliver on these new atypical structures – and for this, we have people who can work with investors on the M&A side, bonds, transition finance and so on.

White & Case acted for the lenders on the landmark Nigeria LNG Train 7 financing



This transition is accelerating and we are well placed to cater for it.

"The future is about being able to think about delivering transactions on multiple levels – not just through the lens of traditional non-recourse project finance. And this is going to accelerate as we see greater energy transition and different kinds of liquidity becoming available."

The great African transition

White & Case has positioned itself well for a market that in coming years will witness continued investment into essential infrastructure that ranges from power generation through to transmission, telecoms, transport and beyond.

"You need to consider sometimes what the right steps are to getting to where stakeholders would like to go" says Mukund.

"For example, in the context of Africa, energy transition may not be about immediately going to renewables and battery storage in every African country. It could be about lowering carbon emissions, moving to gas instead of fuel oil and coal and using gas as a stepping stone for creating enough on demand generation and grid stability to support renewable generation.

"The notion that Africa must or will inevitably follow a Western European or North American model when it comes to energy transition is not necessarily true for all African countries. There are different routes that will be taken to get to the same ultimate destination."

Mukund is also of the mind that facilitating this continent-wide investment programme can be challenging given evolving legal and regulatory regimes and market requirements for revenue certainty. "You need creative thinking and innovative financing and project structures as simply defaulting to a government backstop and complex bespoke agreements for every single risk doesn't always work and even when it does, it takes years and that's in no one's interests," says Mukund. "You cannot have the government serve as the ultimate offtaker, supplier, credit support provider and general all-around counterparty of last resort for every single project."

Mukund cites examples of projects that have applied innovative thinking and structuring to solve risk issues in different ways, reducing both, the role of Government and also the time to close and development costs.

Fortunately, White & Case is ideally placed to help with this transition and new and emerging models of delivering and financing projects across Africa. ■

Another landmark deal for White & Case was the MUOA expansion financing for Compagnie des Bauxites de Guinée



The **SMBC** Interview

SMBC enjoyed an impressive 2020 calendar year working on some landmark transactions in the Americas. Taking the pandemic in its stride, SMBC continues to be one of the dominant players in both North America and Latin America.

SMBC globally worked on a total of 153 project finance (including public-private partnerships) transactions in 2020 with a total value of \$153.3 billion, according to *IJGlobal* data. Of that total, 51 transactions valued at \$45.5 billion were in North America and 30 transactions valued at \$11 billion were in Latin America.

As a financial adviser, it participated in 7 transactions with a total value of \$6 billion.

In speaking to 2 SMBC project finance-focused managing directors—Juan (JC) Kreutz, co-head of structured finance for the Americas and David Gonzalez, head of structured finance for Latin America—it becomes clear that they are understandably proud of what they have achieved with their teams.

In North America, SMBC worked on some landmark transactions that included:

- Whistler Pipeline
- Calpine Geysers
- Pasadena Performance Products
- Mankato Energy
- Renouveau La Fontaine
- Pattullo Bridge
- Boston AFC 2.0
- Broadway Subway Project
- Western Vista Solar
- Capital Dynamics Kamloops
- Hornbaker Data Centre

Kreutz said: “2020 was a banner year for SMBC’s North American project finance team. We went into the year with a lot of uncertainty not knowing what impact COVID-19 would have on the business.

“But all sectors were still very active. Renewables had stellar performance and our volumes were up 30% compared to the previous year [2019]. In addition, digital infrastructure (fibre and data centre) activity was very strong due to that sector benefiting from the work-from-home environment.”

Kreutz added that “we supported clients through the pandemic by closing five data centre financings in 2020. The amount of new build and M&A opportunities in renewables and data centres was at an all-time high, driven by the wall of cash that’s out there from private equity and infrastructure funds that are putting money to work.”

For SMBC, the midstream sector had a strong start in 2020 but slowed down in the second half of the year, according to Kreutz. “We worked on a landmark transaction—the Whistler Pipeline transaction—the largest greenfield bank/bond project financing on record, which reopened the private placement project bond market following the onset of the COVID pandemic and Saudi/Russia oil dislocation.

“Elsewhere, the pandemic did hit the social infrastructure team on our existing portfolio, but new transactions were still fairly active. Some deals were postponed so naturally we lost momentum, but we had enough volume to continue with day-to-day business.”

Overall, it was a strong year for SMBC: “We were trying to manage our credit costs at the same time but on the new-business side we were expanding into the newer sectors like data centres and fibre, which carried us through the pandemic. Those are what I would call pandemic resistant. The emerging sectors are where we saw a lot of our growth.”

SMBC also has a dedicated digital infrastructure team that works across several verticals and products of corporate, project finance, middle market, leasing and ABS to focus on the data centres and fibre business. “We are probably the only bank with a dedicated team that can provide multiple solutions to clients,” says Kreutz.

LatAm Capabilities

Looking across at Latin America, SMBC is highly active in subsectors like natural resources (oil & gas and mining), power and renewables and infrastructure (social, water, transport and telecoms).

Gonzalez said: “We closed over 30 transactions in LatAm and mobilised one of the largest amounts of capital in the region. We have strong coverage in Mexico, Colombia, Peru, Chile and Brazil and deep local knowledge of those regions. Additionally, we are also active in Uruguay, Paraguay, Panama and some Caribbean countries where we have sector expertise. We always aim to provide tailor-made solutions to our clients, which is something they appreciate.”

Juan (JC) Kreutz



“2020 was a banner year for SMBC’s North American project finance team. We went into the year with a lot of uncertainty not knowing what impact COVID-19 would have on the business.”

SMBC's activities in Latin America are split across all the main countries, but have greater concentration as follows:

- Power and Renewables – active portfolio in Chile and Mexico
- Natural Resources (FPSOs) – active in Brazil and Mexico
- Infrastructure – active in Chile, Peru and Colombia with the refinancing of some 4G toll roads and financing of the 5G programme

"The pandemic hit us a little, though the projects didn't really stop, but continued," says Gonzalez. Some of the key projects the bank worked on include:

- Lima Airport Expansion
- Buzios 5
- Huemul
- Marlim 1
- Autopista del Norte
- Transantiago Electric Buses
- Tastiota

"We are now focusing on energy transition as well as hydrogen transactions. SMBC Group has sustainability initiatives, Green X Globe 2030, to deploy \$300 billion globally in green financing by 2030. LatAm and North America teams are committed to helping achieve that goal," he adds.

SMBC is also looking at digital infrastructure in the region. In 2020, it refinanced Ascenty in Brazil, one of Latin America's largest data centre providers, with 14 data centres in operation and/or under construction and it financed the Edgeconnex expansion in Chile. "The markets most active in the digital

infrastructure space are Mexico, Brazil and Chile. It's a little less so in Colombia and Peru but those could pick up in the near future," says Gonzalez.

Looking Ahead

For this year and the next, SMBC will continue to focus on growing the business. "We want to make sure that we are leveraging our global relationships that are active in the Americas. We have sector knowledge, but as new clients come to the U.S. for new business and higher returns, we need to continue to provide seamless solutions," says Kreutz.

SMBC is looking at new infrastructure sectors, like cold storage and street cleaning, but as these sectors have not really taken off, the focus for now is to build on growth areas like infrastructure, fibre, digital and district heating and warehousing facilities around renewables.

"District heating has become the new hot topic both on the M&A and P3 side, so we are looking to grow that business. We also want to work on more deals with an ESG angle," says Kreutz.

Gonzalez adds that SMBC continues to expand its outreach and capabilities into new markets with innovative financial products and initiatives. "SMBC expanded its local currency lending capabilities through the team in Brazil by closing BRL-denominated deals and utilised its non-bank arm SOFOM in Mexico to lend in Mexican pesos."

"Latin America has huge digital infrastructure needs so this will continue to be a focus area for us," adds Gonzalez. ■



"We are now focusing on energy transition as well as hydrogen transactions. SMBC Group has sustainability initiatives, Green X Globe 2030, to deploy \$300 billion globally in green financing by 2030. LatAm and North America teams are committed to helping achieve that goal."

Some of the key projects the bank worked on included the Lima Airport Expansion



Team SMBC – A Record of Achievement in Project Finance



STRABAG

Infrastructure Ontario & Metrolinx Scarborough Tunnel

C\$328,000,000
Revolving Credit Facility

Mandated Lead Arranger, Joint Bookrunner and Hedge Provider

May 2021 | Canada

Eurus Energy

Eurus Energy's Chilean PMG and PMGD Portfolio

US\$80,500,000
Senior Secured Facility and DSRA LC Facility

Green Loan Coordinator, Structuring Bank, Bookrunner, Mandated Lead Arranger and Swap Coordinator

May 2021 | Chile

Invenergy

Traverse Wind

\$1,168,000,000
Construction Loan and LC

Coordinating Lead Arranger and Syndication Agent

March 2021 | U.S.

conEdison Development
a Con Edison Clean Energy Business

CED Nevada Virginia Solar Portfolio

\$642,000,000
Construction Loan and LC

Coordinating Lead Arranger and Syndication Agent

December 2020 | U.S.

INNERGEX

Griffin Trail Wind

\$276,000,000
Bridge Loan, Construction Loan and LC

Coordinating Lead Arranger, LC Issuing Bank and Agent

December 2020 | U.S.

ENERAGEN
PrimeEnergy **Fontus Renewables**

EnfraGen Refinancing

US\$710,000,000
144A/Reg S Bond
US\$1,050,000,000
Term Loan, Flex, Working Capital and LC Facilities

Joint Bookrunner and Joint Lead Arranger

December 2020 | Chile, Colombia, Panama

ARROYO ENERGY

Inversiones ARCO I

US\$429,000,000
Term Loan Facility and LC Facility

Joint Bookrunner, Joint Lead Arranger and Structuring Bank

November 2020 | Chile

KKR

KKR Genesis (Neon)

Confidential
Term Loan and LC

Coordinating Lead Arranger

November 2020 | U.S.

STACK IPI
INFRASTRUCTURE

Virginia Data Center

\$132,000,000
Multiple Credit Facilities

Mandated Lead Arranger, Bookrunner, Administrative Agent and Hedge Provider

October 2020 | U.S.

LAP
LIMA AIRPORT PARTNERS

Lima Airport Partners

US\$450,000,000
Senior Term Loan

Financial Advisor and Mandated Lead Arranger

September 2020 | Peru

AMPCAPITAL
enel x

Transantiago E-Buses Green Loan

US\$133,650,000
Senior Term Loan and LC Facility

Joint Green Coordinator, Joint Lead Arranger, Joint Bookrunner, Administrative Agent and Hedge Provider

August 2020 | Chile

MODEC **MARUBENI** **MOL**

Buzios 5 FPSO

US\$1,350,000,000
Term Loan Facility

Mandated Lead Arranger, Hedge Provider and Security Agent

July 2020 | Brazil

The Citi Interview

Citi has been named Global Bond Arranger of the Year for 2020, in addition to winning the respective regional awards for North America and MENA.

It is not the first time the bank has received high praise for its project bond business – having previously scooped *IJGlobal's* bond arranger award for North and South America in 2019.

"The size and complexity of Citi's deals merits recognition," says one member of *IJGlobal's* esteemed independent judging panel. "Not only did Citi secure financing, but also structured precedent-making innovative financial products."

In 2020, Citi's deal highlights ranged from sheer size – in the case of the nearly \$8 billion debt capital raise for Galaxy Pipeline Assets – to deal structuring innovations such as a new solar revenue put, mezzanine finance facilities and green bonds. The year also marked the bank's continued expansion into emerging markets and new subsectors of infrastructure.

"Institutional investors participating in infrastructure as an asset class has been the anchor on which our business has been built," says Nasser Malik, Managing Director at Citigroup Global Markets in New York.

"We do lend to many projects, but we have always been the house that sponsors look to for how they can effectively tap the capital markets."

2020 was a year like no other – seeing highly liquid markets contrasted with a historically challenging macroeconomic environment. Citi and its clients had to work through the volatility and uncertainty to close deals such as the financing against John Hancock's interest in the Exelon Generation portfolio of 30 wind and solar assets across 13 US states.

Despite severe market volatility at the time of the offering – the deal closed on the broader market's worst day since 2008 – the transaction was over 1.5x oversubscribed and priced significantly inside of guidance, enabling an upside from the \$127 million cover size. Citi acted as sole ratings adviser, sole structuring agent and sole placement agent on the deal.

"It was a year of unusual times, unusual markets and unusual asset classes. These were all variables for how 2020 came together quite uniquely for Citi," says Malik.

"Notwithstanding a short pause at the very height of Covid-19, when the world just stood back, 2020 continued to see very robust transaction activity in the infrastructure space."

In another noteworthy deal – Clearway Energy's refinancing against its 50% interest in a 500MW+ solar project portfolio in Utah – Citi introduced a first-of-a-kind solar revenue put for the US private placement market. The product insures investors and lenders against the risk of potential lost revenues from the project.

Citi also structured the transaction to leverage merchant cash flows via a robust analysis with respect to the balloon at maturity and PPA expiry. Proceeds were used to repay the existing bank back-leverage facilities and to pay for swap breakage, transaction fees and expenses, the put premium, and to fund a distribution to the sponsor. The Clearway deal reflects a wider trend of sponsors utilising non-recourse financing to leverage minority and joint venture interests in contracted assets.

Another Citi deal from 2020 that cannot go unmentioned is Galaxy Pipeline Assets – the nearly \$8 billion debt capital raise (part of which closed in early 2021) to refinance a consortium of infrastructure equity investors' acquisition of a 49% stake in Abu Dhabi National Oil Company's gas pipeline assets.

"The scale of the Galaxy deal validated the depth of capital markets for high-quality infrastructure assets," says David Dubin, Head of EMEA Project and Infrastructure Finance, adding that the deal also reflects increasing bond investor confidence in non-recourse financings and infrastructure assets out of MENA. The deal was all the more impressive for attracting strong bank appetite at the time of acquisition and the subsequent capital markets refinancing amidst the Covid pandemic.

Looking ahead, as the world begins to climb out of the grip of the pandemic, the view from one of the premier bond arranging banks is one of a continued path to maturity for the infrastructure asset class. Malik points to growing appetite for emerging markets deals as well as mezzanine financings as a sign of what's to come.

"The push for renewables and sustainability is creating an open-mindedness on the part of institutional investors - you see that in mezzanine transactions and you see that in 144a transactions in emerging markets," says Malik.

Nasser Malik



"We do lend to many projects, but we have always been the house that sponsors look to for how they can effectively tap the capital markets."

"There's an increasing comfort in transactions that five years ago would have been pretty foreign to institutional investors. These are non-recourse, they are amortising, they entail thick prospectuses, they are not sovereign or corporate transactions."

Malik adds: "The future is going to be driven by equity. In the last few years, there's been a very significant rise of equity capital formation and fundraising and thereby dry powder in the hands of infrastructure funds. They will continue to expand their remit and engage in more creative transactions alongside banks that are harnessing not old school project finance, but rather new school platforms on the capital markets, alongside institutional investor and infrastructure debt funds." ■

The Astris Finance interview

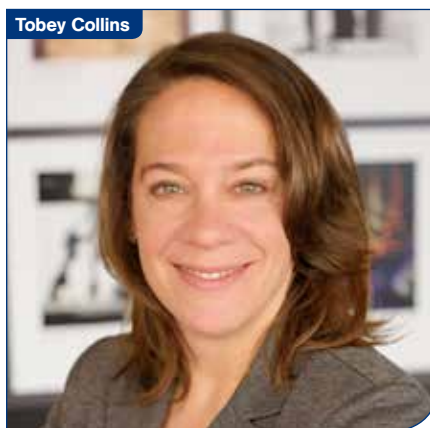
On time to celebrate the firm's 20th anniversary, Astris Finance has been awarded Latin American financial adviser of the year, for the third year in a row - and for good reason. This boutique firm is deeply embedded in the energy and infrastructure sectors in the region, having been active there for the last 2 decades.

Despite a challenging 2020 for the Latin America region, Astris Finance still managed to make an impact helping clients to navigate the most visible and challenging transactions while continuing to mobilise new sources of capital in the region. The senior management team for the Americas spoke to *IJGlobal* about the successes of 2020 and what the future holds for the boutique investment bank which started with a Latin American focus, and has grown into a global adviser active in the infrastructure and energy space across the Americas, Europe and South East Asia.

In 2020, Astris closed circa \$2.3 billion of financing in 11 projects in the LAC region alone, across different sectors such as transport, renewable energy and power. These transactions were successfully executed in key markets in the region including Brazil, Chile, Peru, and Mexico, as well as in niche countries such as Uruguay. Transactions included greenfield financings, opportunistic refinancings and mezzanine loans. Deals closed demonstrated both the difficulties and creativity required to create success in a difficult year in Latin America and globally.

IJGlobal's independent panel of judges said Astris "continues to impress in terms of innovation and transaction execution". One judge said that Astris worked on "interesting deals and structures, across sectors and challenging jurisdictions in Latin America. [Astris] showcased its talents as a gifted financial adviser in a very demanding year". Another judge commented: "Astris is a truly independent and dedicated advisory team that earns their clients' trust. It has an impressive presence across the region. Of particular note was their role in the senior and junior fund raising in the Uruguay greenfield railway".

Tobey Collins, managing director at Astris said: "When we set our goals for 2020, we had no idea that the world was about to implode. However, we felt we did rather well despite the pandemic and we were fortunate that we didn't see transactions being cancelled, they just slowed down. In particular considering the circumstances, we are very pleased with what we achieved in 2020."



"We felt we did rather well despite the pandemic and we were fortunate that we didn't see transactions being cancelled."

An innovator

Innovative deals Astris worked on included designing new capital structures for an expanded group of lenders in a number of greenfield projects in the region. In 2020, Astris structured and successfully closed a true second-lien mezzanine financing, the Ferrocen transaction in Uruguay and also worked on sophisticated refinancings in Mexico, Chile and Peru valued at more than \$800 million.

On the Ferrocen transaction, Astris advised Grupo Via Central, a consortium owned by Sacyr, NGE, Saceem, and Berkes on the closing of a \$75 million, 12-year subordinated tranche with IDB Invest and Global Infrastructure Partners (GIP). The term loan comprised a \$7.5 million A-loan from IDB Invest and a \$67.5 million B-loan from GIP.

The mezzanine debt was provided at the project company level under a second lien structure, with senior (4 tranches) and subordinated lenders (2 tranches) sharing common security and collateral, a rare structure for subordinated debt investments in Latin America which are more commonly placed at HoldCo level.

Despite the pandemic, challenges on both the project execution and the financing, Astris and the sponsors were able to execute the closing during construction with an international group of lenders and advisers, a testament to the dedication and creativity of all parties involved.

The successful closing of this deal illustrates Astris' expertise in working across complex, multi-lender and multi-sponsor environments to maximise value for project sponsors and provide enhanced liquidity for key infrastructure assets in Latin America.

Another great example of Astris, work was successfully managing the closing of a refinancing in Mexico despite Covid-19 and political uncertainties with the Mexican energy sector, the latter particularly adverse for private investments.

The Pemcorp refinancing in Mexico comprised \$170 million in debt with a 7-year mini perm backed by contracted revenues. The 142 MW power plant (130 MW of installed capacity + a 12 MW battery system as a backup) sells its energy through a private PPA to an international car manufacturer in the state of Nuevo Leon, Mexico. The deal was closed with international lenders and generated an attractive recap for the sponsor.

Astris also worked on the closing of the ARCO 1 portfolio refinancing (El Arrayán - 115 MW, wind & Conejo - 122 MW, solar). The refinancing included 3 tranches, totalling \$430 million, backed by contracted revenues (energy sold through PPAs to Minera los Pelambres, the biggest copper mine in Chile) with the surplus sold on the spot market.

The transaction combined a PPA with merchant financing in Chile backed by renewable assets with 6 international lenders, again completed during the pandemic but still generating significant value for the sponsor. It showcased the extent of Astris' commitment to structure deals around the challenges its clients face.

Astris also structured and closed an opportunistic refinancing for clients Solarpack and Ardian in Peru which added significant value for the sponsors. Three solar projects were refinanced by a group

Romain Papassian



"We hope our clients see us as true partners at the end of those bumpy roads we often have to take."

of international project finance banks taking full advantage of attractive market conditions and the perceived risk reduction for the assets post-COVID.

Romain Papassian, director at Astris, commented that 2020 was a good reflection of the team's commitment to the region as a whole: "We are probably the only independent advisory shop with a long-standing presence in the region, where we patiently built a strong team, thriving not only to support our clients in the largest economies, but also in the less served markets where our work makes a big impact, we believe, allowing our clients to close ambitious and often transformative projects."

Papassian adds that Astris' policy is to very much "act as a rigorous, resourceful and patient partner throughout often long and complicated development and financing processes which are known to pass by ups and downs in the region: we hope our clients see us as true partners at the end of those bumpy roads we often have to take".

Focus areas

While ESG plays a big part in the way investors structure projects, Astris has been incorporating this thematic for many years, as renewable energy is a core area of expertise of Astris, not only in LatAm but across the world (IJGlobal's League Tables rank Astris #2 globally in renewable energy, with 16 closings in 2020). "We know that some transactions get the ESG stamp and some don't. But we've worked on numerous renewable energy projects that incorporated environmental and social benefits before it became a hot topic," says Collins.

Collins adds: "A good example of this is the Cerro Dominador Solar CSP project from 2018 in Chile – the region's first, and the

world's largest. That was an ultimate ESG project because it comprised a project that provided 100% renewable baseload power. Astris is just continuing that work on projects that incorporate ESG." Collins then points out that recently many clients are putting together portfolio strategies where there is a combination of wind and solar. "This allows you to provide a better profile of energy throughout the year because you can combine the solar resource with the wind resource."

In 2020, Astris was able to close several refinancings and M&A transactions while the greenfield market slowed down (traditionally a big market for the firm) and this focus will continue for the rest of 2021 and beyond. However Papassian says that the firm can already see that greenfield opportunities are picking up pace across both energy and infrastructure.

A new area of interest is digital infrastructure. However, while this is still largely a growing area in Latin America, Astris believes that most of the transactions so far have been corporate driven which is a space it does not operate in actively. "We are actively exploring ways project finance – the traditional backbone of our work – can be applied to the digital infrastructure space," says Collins.

Another sector of interest for Astris is e-mobility, which is picking up pace in the region. "This is an area we want to be more involved in, as it sits at the crossroads between our long dated track record in transportation in LatAm, and our expertise in battery-plays and storage solutions acquired through our renewable energy practice", says Papassian.

Juan Francisco Toro, director at Astris, adds "These projects tend to be very capital-intensive and while you see savings in the future, selling the project at the start is a little tough as governments tend to be cautious with their scarce resources – even without pandemic-related expenses. This is where Astris comes in because we bring our experience on working with private investors to obtain efficient financing for these projects."

Global Reach

The Latin American, Central American and Caribbean markets have always been a big focus for Astris and will remain so for the foreseeable future. Astris has offices in Mexico City, Sao Paulo, Bogota and Washington DC, from where the Astris team covers the Americas market. The other key pole for Astris is in Europe where the team is particularly active in the renewables space. The firm's European activity is handled from Paris, Madrid and Hamburg. Astris' business is very much in expansion mode in its two core markets.

Juan Francisco Toro



"This is where Astris comes in because we bring our experience on working with private investors to obtain efficient financing for these projects."

Astris is increasing activity in North America (both US and Canada) and actively ramping up the team in DC to pursue opportunities in the US. It has also been investing in Southeast Asia for the last 4-5 years and now has offices in Singapore and Ho Chi Min City. "It's a challenging, new region for us, but we've been quite successful in closing landmark transactions in Vietnam for instance, and building on those first closings South East Asia continues to be a big focus for us," says Papassian.

"Our clients value the global footprint of Astris not so much in our ability to advise in different markets across the firm but in our ability to export our toolbox to new markets, where our clients expect us to leave no stones unturned to raise financing beyond the traditional go-to solutions. We are very proud of the few notable firsts we closed in LatAm in particular, which facilitated more investment in the region," says Papassian.

Going into H2 2021, Astris is confident in the resilience of the pipeline of projects across the region, in spite of increasing political turbulence. Collins adds: "We can't consider ourselves as post-pandemic because many countries in the region are still struggling with the virus, but if I look to 2022, I am more optimistic that projects – greenfield in particular – will return to a normal pace."

Toro adds: "We are and will remain committed to the development of the infrastructure and energy markets across Latin America, where we believe our positioning as an independent adviser can truly make a difference to continue supporting our clients in the most efficient manner across all possible sources of financing we will need to mobilize to sustain the region's path to full economic recovery." ■

IJGlobal 
Awards
2020 

Winning companies

IJGlobal Awards 2020



Global winners

Winners of the *IJGlobal* Awards in the “global category” are taken from an amalgamation of the five judging sessions from around the world. Winners tend to have taken the trophy from at least two regional awards in their category as well as placing highly in other regions.

These judging sessions – this year – were staged virtually for Europe and Africa, Middle East and North Africa, Asia Pacific, North America and South America. Next year we intend separating the African judging session for it to have its own group of adjudicators.

IJGlobal believes it stages the single most transparently judged awards that are peer review and lend them greater credibility than any other in the international infrastructure and energy space.

Not only do we identify all the judges on our panels, we recuse panellists – all of them established and internationally-recognised industry figures – so that they cannot influence judging on categories where they have an interest.

We believe that the result of this rigorous process is that winning an *IJGlobal* Award is true recognition of industry achievements from your peers.

Winners in the Global category are:

- Global MLA – **Societe Generale**
- Global Bond Arranger – **Citi**
- Global Legal Adviserr – **Milbank**
- Global Technical Adviser – **Lummus Consultants International**

Global MLA

Societe Generale

Having been voted winner in Asia Pacific as well as Europe, Societe Generale won by clear points against MUFG Bank to pick up the international trophy for Global MLA of the Year at *IJGlobal Awards 2020*.

Societe Generale was the clear winner in APAC and Europe as well as scoring consistently with the other independent judging panels to give it the global award ahead of MUFG which won for North and South America.

The European judging team celebrated: "SocGen's broad range of transactions, in particular in renewable energy while also being impressively active in digital and displaying a level of involvement that comes across as a true MLA leader."

Another judge said it was "a difficult decision in a very competitive field", but that "SG went ahead on account of involvement in a variety of sectors, and the significant role it played". One added that Societe Generale had been involved in a "good selection of large-scale renewables and fibre transactions, delivering large transactions in emerging sectors".

Meanwhile on the APAC judging team, one of the panel celebrated the diversity of its market involvement: "Societe Generale's



submission showed a wide range of projects in which they were involved."

"I too was impressed by the diversity of their portfolio," added another APAC judge. "From Taiwan's first floating solar – the 180MW Changhua Lundong floating solar PV plant – and the massive Ichthys LNG and Roy Hill iron mine refinancings to Taiwan's offshore wind market and India's solar portfolio financing market... SocGen had an impressive mix of markets and sectors."

Federico Turegano – Societe Generale global head for natural resources, energy and infrastructure – says: "There is huge pride for what the teams have achieved in 2020. The awards you have bestowed on us are very flattering. The amount of work we were able to achieve for our clients while working from home – dividing time between work and family – has been mind-boggling."

"It was a spectacular year for the business as far as advancing the topics of renewable energy and transition from coal to natural gas in some markets, but also on the human side. I am deeply impressed by what was delivered in 2020 under extremely difficult circumstances."

Allan Baker, global head of advisory and project finance at Societe Generale, said: "It has been an incredible and successful year for Societe Generale's energy and infrastructure teams around the world as our focus on developing a strong integrated global presence in our core businesses has enabled us to build on our existing strengths to really add value to our key clients on a wide variety of ground-breaking transactions as they themselves seek to push boundaries and move into new countries and new areas of the clean energy and digital economy."

Global Bond Arranger

Citi

Praise for Citi as a bond arranger was not in short supply among *IJGlobal's* regional judging teams as they raised a hat in salute to a market leader that well deserves to be recognised as *IJGlobal Bond Arranger of the Year 2020*.

Among the comments gathered at the regional judging sessions held virtually earlier this year, Citi was singled out by one judge who said its "bond franchise has always been very strong" and that "it is expected to dominate the market for years to come".

Citi's role on greenfield as well as brownfield financing was picked out by one judge who said: "Their involvement in not only the original bond offering but also subsequent refinancing is impressive."

Another adds: "The size and complexity of Citi's deals merits recognition. Not only did Citi secure financing, but also structured precedent-making innovative financial products, such as the Solar Revenue Put."

The compliments were enough to make a bond arranger blush with one identifying "significant engagement across multiple sectors and great placement record" while



another pointed to "bespoke solutions developed with private credit providers".

"Citi's activity in India in corporate and project finance stood out," said one APAC judge. "While many of its deals across Asia Pacific were corporate finance, the Tengiz and Korolev oil field refinancing in Kazakhstan showed the team's continued strength in project finance."

It kept coming. "Citi brings innovative ideas to the table," said one judge. Another lauded it for a "tailor-made approach to financing solutions", yet another "impressive

innovation and strong execution" while another who had clearly mastered the art of brevity said: "Outstanding."

Nasser Malik, head of structured debt at Citi, says: "We're honoured to be recognized again by *IJGlobal* for our leadership in bonds and capital markets. The Global Bond Arranger and Bond Arranger of the Year for both North America and MENA speak to the work we have done over many years to develop alternative credit markets for project and infrastructure risk."

David Dubin, head of EMEA project and infrastructure finance, adds: "This leadership is underpinned by the trust vested in us by investors and sponsors, and spans both developed and emerging markets, public and private markets, as well as new asset classes."

"We have further leveraged our expertise in realms such as liability management to create win/win scenarios where bonds are already outstanding, but under stress from event risks such as Covid. We look forward to continued innovation in this space, where capital needs are central to economic growth, energy transition and global health."

Global Legal Adviser

Milbank

The legal sector was one of the most hotly contested categories in the 2020 *IJGlobal* Awards with a spread of winners across the global arena... however, Milbank winning in North and South America gave the firm the edge to take the international trophy.

The independent panel of judges – all of them established industry professionals – identified Milbank as the winner for the Americas, with the firm also placing highly in a couple of other regions.

The LatAm judges celebrated Milbank's being "very active in the region across different sectors and products (loan and bonds)" saying the law firm took a "very practical approach to legal advice which is much appreciated by businesspeople".

One rounded it off nicely, saying: "Milbank combines its presence in the milestone capital markets transactions of the year and has the capability to support large-scale as well as smaller projects."

To the north, judges hailed Milbank for its "strong presence", "very strong mix of North American reference projects", for being "ubiquitous in the space" and having "consistent results across a variety of sectors with a high degree of commitment to diversity and inclusion".



Dan Bartfeld

A New-York based judge said: "Milbank is a stable, excellent, focused project finance firm in the Americas and it closed landmark transactions in a very tough year."

One of the key deals Milbank worked on was the \$875 million CPV Three Rivers Energy Centre, a CCGT in north-eastern Illinois – a transaction that featured a bank tranche, fixed-rate tranche and a private placement. It also acted for lenders and investors on the \$1.75 billion hybrid bank-bond financing for the Whistler Pipeline, a

446-mile natural gas pipeline in Texas.

In Mexico, Milbank advised FEL Energy on a \$953 million offering of 5.75% senior notes for the Tierra Mojada CCGT in Mexico. It also acted as lender counsel in the \$450 million financing to Lima Airport Partners for the expansion of the Jorge Chávez International Airport.

Dan Bartfeld, practice group leader of the firm's global project, energy and infrastructure finance group at Milbank, says: "We are honoured to be recognized as the top-ranked Global Legal Advisory law firm by *IJGlobal*. This is a major accomplishment for all the lawyers who are part of our global team, and also a recognition of our loyal clients around the world who trust us with their most important matters.

"The success of Milbank's energy and infrastructure practice is based upon the success of our clients, so this award is as much theirs as it is ours. We take great pride in our leadership position across all sectors and geographies, and with combination of strong liquidity and increased activity by financial and strategic sponsors, we look forward to continuing to advise our clients on their most important and high-profile matters in the years ahead."

Global Technical Adviser

Lummus Consultants International

Lummus Consultants International performed impressively on the international scene for technical advisory, scooping the *IJGlobal* Award 2020 for North America, MENA and Africa – consolidating it as the winner of the Global Trophy.

The independent panels of judges singled out Lummus for having had a stellar year, identifying it as "a clear front runner among the candidates" while celebrating its role on "major impact projects".

One judge went as far as to say: "Lummus provided independent engineer reviews and technical due diligence on a wide range of projects in 2020. Of particular note was its role as technical adviser on the Bolt Energy Storage – the LS Power lithium-ion battery energy storage system portfolio in California."

Other judges were impressed by notable submissions, the "high quality work" it had carried out in the 2020 calendar year, and the fact that it is a "prime player in the P3 sector".

As with all global awards, *IJGlobal* collates scores from across the regional judging panels and to scoop this



Susan Garven

international award, they have to have won in at least two regions. Having taken the award across three regions, it was a shoo-in that Lummus win the overarching prize.

To give a flavour of the deals Lummus Consultants worked on – more details deeper in the book – the adviser acted on the 2.4GW Fujairah 3 CCGT in the UAE. On this DBFOM transaction, Lummus provided the critical technical assessment component of the financing through its evaluation of the industry-leading high efficiency JAC-class gas turbine technology.

LUMMUS CONSULTANTS
INTERNATIONAL

Staying in the Middle East, Lummus also worked on the \$2.25 billion Leviathan natural gas field bond facility as independent engineer, building on reviews for the initial and follow-on financings for several project phases. It provided technical risk assessments focusing on the key areas of design, schedule, construction logistics, regulatory issues and much more.

Lummus president Susan Garven says: "That is wonderful news! Lummus Consultants is honoured to be named the Global Technical Adviser for 2020. It's a very prestigious title, especially in a year with such huge challenges.

"To have several major financial closings in the oil and gas sector, with projects such as Mozambique LNG and Coastal GasLink Pipeline, is a credit to both the lenders and sponsors.

"We are excited about continuing to participate in the successful growth of projects such as Bolt in energy storage, and the growth of renewable energy around the world. Providing useful, knowledgeable expertise to our clients has always been our number one goal, making this award particularly gratifying."

Milbank

Deal Awards

- North America Renewables Solar deal of the year – Highlander
- North America Renewables Onshore Wind deal of the year – Western Spirit
- North America Refinancing Renewables deal of the year – Project Arcadia
- North America Water deal of the year – San Antonio Water Vista Ridge P3 Refinancing
- North America Power deal of the year (US) – CPV Three Rivers Energy Center
- North America Oil & Gas deal of the year (US) – Whistler Gas Pipeline
- LATAM Renewables Wind deal of the year – UEP Penonome II, SA
- LATAM Refinancing Renewables deal of the year – INTI
- LATAM Power Transmission deal of the year – Alupar Transmission Line
- LATAM Power deal of the year – EnfraGen Refinancing
- LATAM Refinancing Transport deal of the year – Project Alma
- LATAM Transport M&A deal of the year – Alto Magdalena toll road refinancing
- LATAM Transport Airport deal of the year – Lima Airport
- European Battery Storage deal of the year – Northvolt
- European Export Finance deal of the year – Northvolt
- African Mining deal of the year – Tasiast Gold Mine Financing
- APAC Editor's choice as the best deal in the region – Clifford Capital's corporate restructuring and ADB's investment
- APAC Refinancing Geothermal deal of the year – Gunung Salak-Darajat Geothermal Plant Portfolio (550MW) Refinancing 2020
- APAC Power Coal-Fired deal of the year – Java 9 (1GW) and Java 10 (1GW) Coal-Fired Power Plants



[Milbank.com](https://www.milbank.com)

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London | Munich | Beijing | Hong Kong | Seoul | Singapore | Tokyo

IJGlobal Awards 2020



Europe winners

The Company section of the *IJGlobal Awards 2020* was particularly challenging this year for Europe given an alarming uptick in submissions on previous years.

However, the judging panel waded through them and gave their experienced opinion to provide us with an excellent array of winners.

The coming pages are devoted to the victorious organisations who were active across European infrastructure and energy deals that closed in the 2020 calendar year.

Congratulations to all winners...

Winners in the Europe companies category are:

- European financial adviser of the year – **BNP Paribas**
- European legal adviser of the year – **Herbert Smith Freehills**
- European MLA of the year – **Societe Generale**
- European technical adviser of the year – **Arup**
- European sponsor of the year – **SSE**
- European model auditor of the year – **BDO**
- European investor of the year – **Allianz Global Investors**
- European bond arranger of the year – **Santander**
- European public sector award of the year – **Entwicklungsagentur Region Heide AÖR, Germany**
- European corporate trust if the year – **Deutsche Bank Corporate Trust**
- European ESG coordinator of the year – **Vauban Infrastructure Partners**
- European credit insurer of the year – **Assured Guaranty**

European financial adviser of the year – **BNP Paribas**

The financial advisory award for Europe was won by BNP Paribas with the judging panel full of praise for its performance over the last calendar year.

One judge identified BNP's involvement in Northvolt (winner of a couple of awards) as "very innovative" while another celebrated its "very strong number of projects, and focus on renewables", with one more saying: "BNPP had a strong mix of deals, with some extremely high profile / jumbo transactions in the mix."

And, while it should not be included as awards are judged purely based on submissions, but one judge said: "Having been on the receiving end of BNPP as a financial adviser, they are far stronger than most of their peers – certainly in the banking suite – and are starting to compete with the boutiques and specialist advisers."

BNP Paribas' energy, resources and infrastructure teams in 2020 advised on numerous renewables transactions, notably Dogger Bank A&B in the UK – at 2.4GW, the biggest project financed offshore wind project in the world – that is currently being developed by SSE and Equinor. The advisory team supported the sponsors from May 2018 in securing 62% of total capacity awarded CfDs in the 2019 AR3 competitive auction based on the lowest subsidy levels achieved in the UK to date.

The team also advised on Fécamp, the largest underwritten transaction in the power sector in France, which was underwritten during lockdown in spring. This 497MW project is being developed by EDF Renouvelables, WPD and Enbridge. Syndication launched post-closing, with a successful result achieved in early September.

When approaching energy transition, BNPP was active in supporting innovation, advising Northvolt for the unprecedented non-recourse financing of the construction of one of the largest greenfield battery manufacturing plants in Europe (16GWh).

Romain Talagrand, EMEA head of power and renewables and BNP Paribas, said: "Opening up France to offshore wind, raising debt for the largest ever renewable energy project and devising innovative deals like Europe's first battery gigafactory all show our determination to help drive forward the energy transition in Europe."

European legal adviser of the year **Herbert Smith Freehills**



HERBERT
SMITH
FREEHILLS

The *IJGlobal* legal award is one of the most vigorously contested in each of the regions and one of the hardest to judge, making them one of the most prestigious to win – given the amount of competition they face from an impressive peer group.

Herbert Smith Freehills won over the independent judging panel to scoop *IJGlobal* Legal Adviser of the Year for Europe with one lauding HSF's 2020 calendar year performance as an "impressive diversified portfolio of successful deals".

One of the judges said: "HSF had a strong year and closed some interesting deals which made them the top choice for me. The firm had a good mix of traditional infra and transition transactions with the BP Equinor deal – a key strategic step for BP – and an interesting interconnector."

Another added: "HSF stood out in a very competitive category as a law firm with a great variety of transactions and multiple sectors and geographies. The submission clearly set out the key challenges and how HSF worked with clients to resolve those to deliver successful projects."

Gavin Williams, HSF global co-head of infrastructure, says: "The last year has been exceptional for our clients and our teams as it has been for everyone around the world. We found ourselves kept exceptionally busy by project sponsor and investor clients alike. The pandemic, climate change and digitalisation were to the fore in every conversation.

"Our teams continued to support clients with their major projects – including HS2, Hinkley Point C and Sizewell C – adapting to the changing development environment brought about by the response to the coronavirus. In the PPP space we worked on several high-profile portfolio trades as well as the A465 project which was structured under the latest evolution of the PPP model in the UK.

"On the capital formation front, clients have been particularly active raising funds focused on energy transition and digitalisation in one form or another. Our funds team has been involved in several listed vehicles in infra and renewables and on the closed-ended side we continue to see a growing number of continuation vehicles being brought into play around certain types of assets."

European MLA of the year **Societe Generale**

Societe Generale won against considerable competition to scoop the *IJGlobal* MLA of the Year Award for Europe having closed an impressive array of deals across the region in the 2020 calendar year.

One of the judges admitted that it was challenging to identify a stand-out winner given the level of competition, saying it was "a difficult decision in a very competitive field" but adding: "SG went ahead on account of its involvement in a variety of sectors."

Another identified Societe Generale as the winner for having worked on a "good selection of large-scale renewables and fibre transactions while also delivering large transactions in emerging sectors". This view was supported by a judge adding the lender had an "impressive list of projects and strong focus on green projects."

Yet another commented: "SocGen's broad range of transactions – in particular renewables and digital – and level of involvement marks it out as a true MLA leader."

Societe Generale worked on numerous landmark deals that feature in later pages having played pivotal roles on the likes of Northvolt, Fécamp offshore wind farm, Dogger Bank A&B... and many more.

Allan Baker, global head of advisory and project finance at Societe Generale Corporate & Investment Bank, said: "This was a year marked by strong deal flow, but also significant competition in the lending space, so we are very happy to be recognised as the leading MLA in Europe, reflecting the strong contribution of all of Societe Generale's sector teams.

"We are very proud to have delivered many innovative financing solutions to our clients across Europe, whether in clean energy with offshore wind underwriting and innovative geothermal and PPA-backed deals."

He added: "In the infrastructure business, SG has consolidated its position as a leader in the digital transformation space and in particular fibre networks – we closed deals in France, Italy, Germany and the UK as well as underwriting an unprecedented transaction in France or the industrial sector with the closing of the ground-breaking Northvolt Gigafactory, a first for Europe.

"This success underlines Societe Generale's drive to innovate and deploy our balance sheet in support of core clients across all sectors."

European technical adviser of the year

Arup

ARUP

Over the course of the judging period, Arup worked on an array of transactions to win the *IJGlobal* technical adviser award for its activity across Europe which saw the team fully deployed.

Arup's teams of engineers, economists, management consultants and transaction specialists were active across all infrastructure markets including transport, power, renewables, digital, waste, water and utility networks, social infrastructure and energy transition.

A great example of its integrated advisory approach is the recently-announced sale of Western Power Distribution (the largest UK NDO) to National Grid where Arup supported the process by providing integrated regulatory, economic, and technical vendor due diligence to PPL Corporation.

Arup provided technical advice to

both private and government clients on a plethora of ground-breaking projects, including advising government bodies on the nuclear newbuild programme and worked closely with the Low Carbon Contract Company, providing technical advice and ongoing schedule analysis on Hinkley Point C – the largest power generation construction project in Europe.

In Arup's submission, it highlights far-reaching involvement with European developer Mainstream Renewable Power during the sale process of a majority stake in the company. It was also technical adviser on Northvolt's first lithium-ion EV battery manufacturing facility in the north of Sweden.

Arup also played a key role in Infracapital's acquisition of Zenobe Energy in November, a deal that will see it invest £150 million equity in grid battery, electric

buses and bus depot charging. The equity funding is to support the growth pipeline decarbonising transport in the UK and abroad.

Filippo Gaddo, Arup's London-based business and investor advisory leader, says: "A global pandemic and the transition to net zero are re-shaping the transaction market. More and more projects and deals in 2020 and 2021 are in renewables, low carbon transport, energy storage and hydrogen.

"The role of technical adviser is also changing. Clients need integrated support that brings together engineering, economic and financial expertise. That is where Arup's team excels as demonstrated in the Northvolt, Mainstream and Zenobe deals. The *IJGlobal* awards are a welcome and fantastic recognition of our leadership and ground-breaking role."

Shaping a net zero future

ARUP

From renewable energy business models to transaction advice, Arup is at the heart of shaping the energy transition.



arup.com

European sponsor of the year **SSE**

Project sponsors – the ones who really drive activity across the market – tend to be fairly laissez-faire about submitting for awards. Possibly they have other things to do... but that doesn't stop *IJGlobal* from creating its own category to celebrate their successes.

This year, the IJ editorial team pulled together a shortlist of truly impressive sponsors to put in front of our judges to identify the most impressive with an eye to winning the *IJGlobal* European Sponsor of the Year Award 2020.

Judges pored over the submissions and finally chose SSE as the worthy winner with one saying it "deserves recognition for the very impressive Seagreen project".

Other judges added that SSE's "move towards renewable energy projects is so important that it should be rewarded" and another said it was a "strong sponsor transitioning to renewable energy" with "interesting and topical transactions".

SSE has a portfolio of around 4GW of onshore wind, offshore wind and hydro, and its strategy is to drive the transition to a net zero world through world-class development, construction and operation of renewable energy assets.

The organisation aims to treble its renewable energy output from 2019 levels to 30TWh by 2030, making a significant contribution to decarbonising the power sector and achieving net zero emissions by 2050.

SSE owns nearly 2GW of operational onshore wind capacity with more than 1GW currently under development. Its 1,459MW hydro portfolio includes 300MW of pumped storage and 750MW of flexible hydro.

Meanwhile its operational offshore wind portfolio consists of 579MW across three offshore sites in UK waters, two of which it operates on behalf of joint venture partners.

It was deemed worthy of the award primarily based on the 1.14GW Seagreen Alpha and Bravo Offshore Wind Farms which reached financial close in early June 2020.

Not only did it reach financial close between two peaks of Covid-19 cases in the UK, only 42% of the energy generated at the wind farms has been awarded subsidies. As a result of this uncertainty, the gearing was skewed to be heavily ECA-backed with bank debt only covering the secured contracted revenue and equity footing 58% of the bill.

European model auditor of the year – **BDO**

Model audit is often the unsung hero of many a project finance transaction... but not at *IJGlobal* where each year we single out the best performer, chosen by our independent panel of judges and based purely on submissions.

This year the winner for Europe is BDO and the judges singled it out for praise saying it was "a solid choice" and that it "showed a real understanding of the transactions as well as range and scope".

Another celebrated it for having an "interesting range of projects" and had shown "innovation in the Northvolt deal which gives them the advantage".

Two judges were won over by BDO's submission which was described as being a "very comprehensive submission, demonstrating a real understanding of the challenges involved with the showcased transactions" and the other adding it was "a most impressive submission, demonstrating they understand more than their immediate role and were fully on top of the transactions they were involved in".

Among the many transactions BDO worked on across Europe, it is notable for having advised on a slew of the deals to have won awards in the coming pages.

For just a taster, BDO acted as model auditor on the A465 which saw the first deployment of the MIM procurement model in Wales; the landmark Northvolt lithium-ion battery manufacturing financing in Sweden; and the G.Network acquisition which gives it exposure to the burgeoning fibre optic space.

Kirit Mistry – partner and head of model assurance, financial services for project finance at BDO – says: "It is a great honour that the quality of our model assurance work has been recognised across a number of regions and in particular, our experience and understanding of complex project financings and related modelling issues and risks, which has helped us provide the necessary assurance to senior lenders, sponsors and investors over many years.

"The experience, commerciality and pragmatism of our dedicated team – combined with our ability to provide specialist local input with the global reach of BDO's international network – allows us to support the most complex, high value and strategically-important project finance deals."

European investor of the year **Allianz Global Investors**

The 2020 award for European investor goes to Allianz Global Investors with the independent panel of judges selecting it over the shortlisted rivals based on an impressive year of activity.

One of the judges at the European virtual judging session said of AllianzGI that it displayed "significant references for 2020 and had some interesting deals that sets them apart... deals like battery trains".

Another judge celebrated "a good mix of transactions" while one more saluted AllianzGI for "innovation and challenges faced, such as Covid-19 impact on the A88" and another pointed out "the XMU example is also a good one in promotion of green agenda".

The final judge comment was: "While a mid-market player, clearly they have their eye on where the market for Core+ and Core++ is moving to."

One deal that caught judges' eyes was Project Pelayo which involved the financing of a 42MW portfolio of 14 Spanish PV solar parks that have been operational since 2008-12.

Having financed the initial portfolio back in 2017 when it was nine-strong, in December 2020 the financing package was enlarged and amended to refinance project-specific bank debt at the five plants that have since been added.

XMU also elicited comment given the assets being financed were 55 battery-electric-powered trains to be operated in the State of Schleswig Holstein in northern Germany. The borrower will purchase the trains throughout a 4-year construction period and the trains are then leased to several train operating companies to operate for at least 28 years.

Claus Fintzen, chief investment officer for the infrastructure debt team at AllianzGI, said: "We are delighted to be named as European Investor of the Year. While 2020 was a challenging year for us all, the structure and broad set-up of our platform meant we were well equipped to support deals across various risk categories including XMU and A88.

"This year, we see sustainability and balance sheet repair following the pandemic as the key topics and remain sharply focused on where the market is moving, ultimately cementing AllianzGI as a force to be reckoned with in the market."

European bond arranger of the year **Santander**

A strong – if Spain-dominated – submission from Santander saw the institution win the European bond arranger of the year award with the full support of the independent judging team.

The judges selected Santander “based on the complexity of transactions brought to market in the current environment” adding that they were “not easy transactions”.

One judge said that Santander “demonstrated presence in the market with a range of active roles on deals, well above other contenders” while another pointed out that all deals in the submission were Spanish, but “each transaction had its own unique challenges, and in each deal Santander had a substantial role to play in its success”.

In its submission, Santander identified three transactions from the 2020 calendar year that it felt demonstrated its skills and exemplified the lender’s achievements.

It led with the €575 million public bond refi of Empark to fund a dividend recapitalisation, the €450 million refi of a Spanish solar portfolio, and the Q-Energy bond issuance refinancing solar assets with an Assured Guaranty wrap. Conor Hennebray, global head of DCM for SCIB, said: “The stable revenue profile

of infrastructure bonds has come into its own during the volatility of the global pandemic. We have seen the full range of deals: project bonds (Q-energy and Eolia), corporate bonds (Thames Water, Heathrow) and even subordinated HoldCo bonds (Gatwick). Santander expects this market to grow rapidly in the next few years, as government and private investment in transport and in green energy help the global economy to build back better.”

Ben Felix, global head of structured finance at Santander CIB, said: “Santander’s unprecedented position in the Spanish renewables market, combined with top-house credentials in DCM in Europe make of Santander a natural candidate for leading the niche market of the Spanish Renewables PF bonds market. Since 2015, Santander has been leading and structuring all the issuances in the country, bringing innovation, complexity and ultimately new institutional investors into the field, who, combined with a very liquid bank market, will be essential for financing the coming wave of green investments in the country and more generally in Europe and globally.”



“Santander demonstrated presence in the market with a range of active roles on deals, well above other contenders.”

European public sector award of the year **Entwicklungsagentur Region Heide AöR, Germany**

The IJGlobal Public Sector Awards prove to be an annual chore for the IJ team as we tend to write these ourselves... because rarely people put forward such bodies (basically, not themselves) for plaudits.

For this year, the IJGlobal editorial team identified a number of European public bodies that we believe delivered interesting agendas, judging them not on deals closed rather the potential they are bringing to the market.

Once the judges had altered their stance from making decisions based purely on closed deals from the 2020 calendar year, they warmed to the subject and threw their (almost unanimous) weight behind Entwicklungsagentur Region Heide AöR in Germany.

Their choice was based entirely on the sterling work the public body had done to drive the adoption of hydrogen in Germany alongside the creation of a hub to encourage its proliferation.

One of the judges said: “Hydrogen is the newest sector with significant promise



in making progress towards the green agenda. This pathfinder project, while small, is a giant step – in some ways – toward showcasing the challenges of hydrogen transactions and what is needed to overcome them.”

A judge added: “Involving a large number of institutions in the deal gives market

knowledge – thus potentially allowing a multiplier effect on future transactions.”

Another judge identified the development agency as providing “an example of where public sector support is really necessary to kick start a new sector” with another adding that “the complexity of this project and the number of JV partners to get this done is impressive”. It was also billed as “an important test bed”.

This was joined by comments from a judge who was “impressed by the innovation of the hydrogen project” saying it was an “interesting and challenging pathfinder project for green hydrogen which may form a model for other developments”.

The Westküste100 offshore wind-to-green hydrogen project in Schleswig-Holstein, northern Germany, was the first green hydrogen project to secure financial backing from the German government. The project’s JV H2 Westküste has a 5-year mission to build a 30MW electrolysis plant at the regional refinery Raffinerie Heide.

European ESG coordinator of the year
Vauban Infrastructure Partners

This is the final time *IJGlobal Awards* will present this award – we are launching a dedicated event to celebrate achievements in the ESG space – and we are delighted to announce that Vauban Infrastructure is our 2020 winner.

This is an editorial award based on an impressive submission that identifies Vauban as a front-runner and pioneer of promoting ESG practices across the infrastructure industry and asset class in general.

Vauban was a founding member of GRESB Infrastructure – the only fund manager alongside institutional investors – and in 2020 further promoted GRESB reporting (therefore benchmarking) and implemented concrete measures across the industry and its players. Under Vauban’s stewardship, its portfolio companies have

shown remarkable results in 2020 with its investments allowing 2,000 hospital beds to be equipped; 3,500 trees to be planted; and 14 tonnes of CO2 EQ per million Euros invested to be avoided.

The fund manager was a pioneer implementing innovative “green” financing to its portfolio companies. One of these achievements was to sign the first sustainable loan of a 30-year public service delegation contract for the deployment and operation of the Loire Atlantique’s fibre optic network.

Vauban also signed France’s first sustainability-linked equity bridge facility for its Core Infrastructure Fund III, through which it committed to three ESG KPIs to reinforce the manager’s commitment to promoting SDGs across its underlying investments.

As to gender parity and diversity, Vauban is led by a female chief executive – Gwenola Chambon – who is a renowned champion in the ESG space, and the fund itself has achieved 60:40 gender parity at all the levels of organisation.

In daily business, Vauban demonstrates its methodology by evaluating SDG-related risks and opportunities required at each investment phase; sets annual reviews of assets with KPIs; has in place a review process throughout the investment lifetime with continuously updated targets; and many more KPIs to ensure ESG results.

According to its submission: “Vauban is taking powerful actions in order to make an impact. Vauban is a signatory of UN PRI with A+ score (highest score possible) for 2020 in all the applicable categories (infrastructure and strategy and governance).”

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European Digital Infrastructure FTTE Best of the year 2020 WINNER

European ESG Awards 2020 WINNER

European Telecoms Best of the year 2020 WINNER

Transport | Social infrastructure | Utilities | Digital infrastructure

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European corporate trust of the year

Deutsche Bank Corporate Trust

The winner of the *IJGlobal* editorial award for European corporate trust of the year for activity in the 2020 calendar year is... Deutsche Bank Corporate Trust.

Deutsche Bank's corporate trust team had a busy 2020, supporting 51 transactions valued at more than \$20 billion of project and infrastructure financing; 66 deals for close to \$83 billion of corporate debt issuances across the energy and infrastructure sectors; and serviced clients and projects in 12 different countries across the Americas, EMEA and APAC.

In Europe, Deutsche Bank covers the full spectrum of assets from renewable energy, power, transport, oil and gas, telecoms, and water and waste sectors; with an added focus on sustainable financing.

Many of the financings were landmark deals spanning diverse asset classes including a green bond refinancing of Germany's largest offshore wind project where the North Sea assets were combined in a single project under one project bond; and the development of one of Spain's largest solar energy projects.

Globally, Corporate Trust supports a growing number of investors and sponsors who are looking for cross-border projects.



In 2020, the global team provided services to Canada-based investors extending their footprint in the North European offshore wind sector and to a Dubai-based solar developer investing in Africa.

According to the submission: "The Deutsche Bank Corporate Trust team continues to leverage the strengths of the entire bank-wide franchise when supporting transactions through an ever evolving capital markets landscape.

"For example, it has collaborated with multiple divisions in the bank to distribute thought leadership insights to clients via various channels. These include a weekly macro-economic analysis of the Deutsche Bank research team's published reports,

a Covid-19 dossier website, and a new sustainable finance website with insights and solutions for participants seeking to develop and invest in sustainable infrastructure."

"Winning the Corporate Trust Provider of the Year in Europe award for the second year in a row is an achievement that makes us very proud. We have supported a wide range of renewable projects in the region in 2020. This includes a European off-shore wind green bond refinancing for Germany's largest offshore wind power plant. We look forward to working on similar sustainability-linked transactions in the future," says Jason Connery, Head of Trust & Agency Services, EMEA.

European credit insurer of the year

Assured Guaranty

Many people viewing this category will be scoffing as they read it, crying out that it was a one-horse race and that Assured Guaranty was the only monoline that could have scooped the trophy.

However, we at *IJGlobal* took the view that Assured Guaranty's activity over the course of 2020 had been so impressive that it warranted celebration and to receive an award for its numerous accomplishments.

To that end, we are delighted to announce Assured Guaranty as European Credit Insurer of the Year 2020 having performed magnificently during the judging period, bringing monoline wraps back to the market in a significant way from the all-time low of 2008.

This is an editorial award – a salute from *IJGlobal* – for a job well done in a year that saw AG work on a range of interesting deals where they brought the combined might of Assured Guaranty to bear across Europe.

Primary among these is the Kingston University student accommodation project that saw the monoline provide a senior funding solution for a demand-based project

that involves the refurbishment of existing halls of residence and a limited new-build of additional rooms.

Its wrapped financing solution, providing long maturities (35 years in this instance), a higher credit rating, and associated capital charge reduction, proved popular with direct lenders and bond purchasers.

Assured Guaranty (Europe) then July (2020) provided financial guarantees for €326 million of notes (due 2037) issued by Hypersol Solar to refinance two adjacent 50MW CSP plants in Spain. This was Assured Guaranty's fifth Spanish solar transaction benefiting from payments from the Spanish Electricity System, and its first involving concentrated solar power technology.

A final key deal it closed was when Qualitas Energy mandated AG to act as financial guarantor on the refinancing of Project Tesler. This project represents the third PV portfolio financing with Qualitas Energy to be guaranteed by AG, all of them in Spain.

Dominic Nathan, managing director, Assured Guaranty, said: "Assured Guaranty enjoyed another great year of growth

during 2020 to firmly re-establish its position as a competitive and mainstream financing option in the infra world. Our highlights for the year included significant activity in the solar sector where we refinanced three separate transactions in Spain with an aggregate funding amount of over \$1 billion.

"We also provided the financing solution for Kingston University's project involving new and refurbished accommodation, a great transaction that was closed during the uncertainties of the pandemic.

"In addition, Assured Guaranty closed a number of other transactions in the secondary market, i.e. where AG provides credit protection to both institutional investors and banks on bonds or loans they already own.

"It was an interesting year with the onset of the pandemic, but the current environment has demonstrated the value to investors of having credit protection on bonds and loans. We are delighted to be the recipient of European Credit Insurer of the Year!"

IJGlobal Awards 2020



North America winners

The North American judging panel had its work cut out for it, working its way through a mass of submissions from those organisations that closed deals in the 2020 calendar year.

This year *IJGlobal* was impressed with the amount of submissions – the largest entry level we have achieved for many years thanks to ramped up marketing.

The following pages are dedicated to those winners and we would like to take this opportunity to congratulate them for their successes.

Winners in the North America companies category are:

- North American bond arranger of the year – **Citigroup**
- North American corporate trust of the year – **Deutsche Bank**
- North American financial adviser of the year – **Macquarie**
- North American insurance adviser of the year – **INTECH Risk Management**
- North American investor of the year – **Quinbrook**
- North American legal adviser of the year, energy – **Milbank**
- North American Company legal adviser of the year, infrastructure – **Torys**
- North American MLA of the year – **MUFG**
- North American model auditor of the year – **Operis**
- North American public sector award – **City of Edmonton**
- North American ratings agency of the year – **Fitch Ratings**
- North American sponsor of the year – **Plenary Americas**
- North American technical adviser of the year – **Lummus Consultants International**

North American bond arranger of the year

Citigroup

For the second year running, Citi has scooped *IJGlobal's* North American bond arranger of the year award for 2020.

When it comes to bond financing of infrastructure and energy across the Americas, the *IJGlobal* judging team voted emphatically that none did it better in 2020 than Citi. One judge said “the size and complexity of Citi’s deals merits recognition. Not only did Citi secure financing, but also structured precedent-making innovative financial products, such as the Solar Revenue Put”. Another judge said that Citi always brings “innovative ideas to the table” and that its inclusion of green bonds was “very effective in a tough year”.

One judge added: “Citi led the field as the bond arranger for many high-profile infrastructure deals in 2020, however, what distinguished them from others in this field was their commitment to innovation. While the size and complexity of Citi’s deals merit recognition, Citi went beyond arranging bond financing to also structure precedent-making innovative financial products, such as the Solar Revenue Put”.

The use of Solar Revenue Put, highlighted on numerous occasions by judges was used on Utah Solar, the first USPP to feature



this insurance product that gives investors and lenders additional comfort that any lost revenues stemming from reduced production are recuperated. The use of the Solar Revenue Put, combined with additional debt sized on a merchant tail, demonstrated Citi’s ability to market novel renewable transactions.

Citi also executed a \$125 million unrated, subordinated mezzanine tranche to help optimise Orion Mine Finance’s cost of capital, create financial flexibility, and provide certainty of funds for its acquisition. As a mezzanine note with a residual interest in Trona royalties, this transaction brought a unique asset class to the increasingly

important private capital universe. The subordinated tranche was placed with private capital accounts, highlighting how Citi’s ongoing investor dialogue allows the firm to optimise debt structures with bespoke solutions.

Additionally, Citi announced the issuance of the firm’s first USD-denominated benchmark green bond to fund renewable energy, sustainable transport, water quality and conservation, energy efficiency and green building projects. The issuance, along with Citi’s project and infrastructure finance team’s green lending activities, reaffirmed Citi’s commitment to environmental finance and sustainable transactions.

North American corporate trust of the year

Deutsche Bank

In the Americas, Deutsche Bank Corporate Trust provided services to projects worth \$6.8 billion, serving sponsors from 8 countries with projects covering the full spectrum of assets from renewable energy, power, transport, midstream oil & gas, telecoms, and water and waste sectors. To top it all off, there was also an added focus on sustainable financing, keeping Deutsche Bank at the top of the *IJGlobal* ranking for corporate trust adviser.

The judging panel said Deutsche Bank was a “clear winner in this category” and that working on the “first sustainability bond made them a head and shoulders winner”. One judge commented: “Deutsche Bank’s projects covered the full spectrum of assets with many of the financings being landmark deals. The diversity of asset classes, coupled with innovative, first-of-their-kind deal structures, made them the standout corporate trust in 2020”. Another judge said the corporate trust adviser played a “notable role in ESG in 2020”.

“We are proud that the ground-breaking work we completed in the Americas stood out in 2020. Many of the financings were landmark deals spanning diverse asset classes including solar, wind energy and hydroelectric projects; water desalination plants; public schools, and telecom.”

Many of the financings that Deutsche Bank worked on were landmark deals spanning diverse asset classes including solar, wind energy and hydroelectric projects; water desalination plants; public schools, stadiums and a satellite.

The team also provided agency services to North America’s first sustainability-linked bond (SLB), NRG Energy’s issuance of \$900 million in senior secured first lien notes, and the first issued by any energy company outside of Europe.

Thalia Delahayes, head of project finance agency, Americas at Deutsche Bank, said: “We are proud that the ground-breaking work we completed in the Americas stood out in 2020. Many of the financings were landmark deals spanning diverse asset classes including solar, wind energy and hydroelectric projects; water desalination plants; public schools, and telecom. With an added focus on sustainable financing, the team notably provided agency services to North America’s first sustainability-linked bond issuance.”

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more 

Deutsche Bank





MACQUARIE

North American financial adviser of the year

Macquarie

Macquarie was selected by *IJGlobal's* independent panel of judges as the winner of the North American financial adviser of the year for its market-leading advisory business which has an unparalleled client network and global reach across multiple sectors and regions.

Judges said Macquarie "continued to pave the way for global advisory in the infra universe" and that it is an "established market leader". One judge said: "Macquarie had a strong position in secondary markets advisory - benefitting from its funds/advisory approach".

A notable transaction Macquarie Capital worked on was acting as exclusive financial adviser to Macquarie Infrastructure and Real Assets (MIRA) on the sale of WCA to GFL Environmental. Macquarie Capital ran a highly competitive process for the sellers despite the pandemic. Another deal it advised on was Terra-Gen. Macquarie

Capital served as exclusive financial adviser to First Sentier Investors to acquire a 40% stake in Terra-Gen from ECP. Terra-Gen's portfolio spans more than 30 facilities located primarily in California, with additional locations in Colorado, Minnesota, Nevada, New York, Texas and Wyoming. The company currently operates more than 1,600MW of facilities and has more than 3,000MW of projects under advanced development. The TerraGen deal was signed amidst significant economic uncertainty and financing market dislocation, requiring substantial short-term capital needs.

Looking ahead, Macquarie Capital continues to monitor trends that emerged in 2020 including a continued inflow of capital into Europe and North America from international investors and the broadening of the definition of infrastructure. The business will continue to serve the broad spectrum of infrastructure investors from funds, sovereign

An excellent submission clearly setting out the key transactions, their challenges, unique aspects and complexity of the funding structure.

wealth, pension and insurance funds across all parts of the region.

"We are delighted to be recognized as the leading infrastructure and energy adviser in North America in 2020," said Robert Valentine, senior managing director at Macquarie Capital. "We were so pleased to have helped so many of our infrastructure clients achieve their objectives in 2020, in buying, selling and financing assets to deliver returns to their investors, pension holders and stakeholders."



Infrastructure and energy expertise for a connected and sustainable future

Macquarie Capital has been at the forefront of industry innovation as an adviser, investor and developer, for more than 25 years.

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North American investor of the year **Quinbrook Infrastructure Partners**

Quinbrook Infrastructure Partners scooped investor of the year in North America due to its impressive investments in new infrastructure assets and delivery of direct and measurable ESG impact on behalf of its investors.

An independent panel of judges lauded Quinbrook's "impressive portfolio of innovative green energy and data projects, demonstrating leadership in what can only be significant growth areas" and its "clear and concise examples of sustainable investments". One judge said: "Quinbrook's diverse portfolio of cutting-edge technology investments puts it at the forefront of the accelerating energy transition to achieve 'Net Zero' emissions from the US energy supply system".

A Quinbrook hallmark is an early stage model where the investment team is integrally involved in 'hands on' 'greenfield

"Quinbrook's diverse portfolio of cutting-edge technology investments puts it at the forefront of the accelerating energy transition to achieve 'Net Zero' emissions from the US energy supply system."

and brownfield' investing requiring deep involvement in project development, project permitting, equipment procurement, construction and operations.

Quinbrook continues to develop and construct solar PV, onshore wind, battery storage and green data across the US.

Notable investments in 2020 included the \$1.1 billion, 690MW Gemini Solar + Battery Storage project, which is currently the largest solar project in US history once constructed and at 1480MWh, includes one of the largest battery storage assets in the world.

The Rowan Green Data is another impressive deal that Quinbrook worked on. The investor formed a joint venture entity with Birch Infrastructure (Rowan) to develop and commission mission critical, hyper-scale data centres that take advantage of low-cost renewable power.

Additionally, Glidepath Power Solutions - a portfolio company of Quinbrook - saw Glidepath announce that it would complete development and achieve construction readiness in 2020 on one of the largest portfolios of standalone battery storage projects to date in New York State.

North American legal adviser of the year, energy **Milbank**

North American legal adviser of the year, energy was a hotly contested category with judges debating long and hard over the winner. Milbank emerged as the victor, recognised for its consistent work across all industries in North America where project financings occur.

It had an impressive 2020 calendar year, working on 100 transactions totalling billions of dollars. In North America, it advised on the most innovative and 'first of its kind' deals to come to market.

IJGlobal's independent panel of judges said Milbank provided "consistent results across a variety of sectors with a high degree of commitment to diversity and inclusion". One judge commented that Milbank was "ubiquitous in the space" and another said it worked on "landmark deals in a very tough year for three very difficult projects".

Some of the key deals Milbank worked on were the \$875 million CPV Three Rivers Energy Centre, a gas-fired combined cycle power generation facility in north-eastern Illinois. The transaction featured a bank tranche, fixed rate tranche and a private placement tranche.

Milbank represented the lenders and investors on the \$1.75 billion hybrid bank-bond financing for the Whistler Pipeline, a 446-mile natural gas pipeline in Texas.



Another key deal for the firm was the Highlander Solar Project, a 485MW utility scale solar project in Virginia. Milbank represented the lenders.

Dan Bartfeld, practice group leader of the firm's global project, energy and infrastructure finance group, said: "We take great pride in being recognised by IJGlobal as the North American legal adviser of the year, energy. The 60+ lawyers within our Americas energy/infrastructure group work in an extremely coordinated fashion, we are

constantly sharing market intelligence, best practices and transaction updates.

"Also, the 15+ partners in our Americas energy/infrastructure group are virtually all Milbank 'lifers', so we know each other very well and we have put huge effort into ensuring the success of the entire group, not just specific individuals. We have embedded a culture where our clients view us as their 'trusted advisors', so we provide not only great legal services, but also practical and business-oriented advice."

North American insurance adviser of the year

INTECH Risk Management

During 2020, INTECH Risk Management had to innovate and come up with creative ways to deal with a changing insurance market as a result of the pandemic. In a couple of instances, the insurance placed during bid phase was no longer acceptable for financial close, and INTECH consultants were able to obtain insurance on behalf of our clients in order to reach this milestone.

It is this ability to ensure flexibility for its clients during unprecedented times that INTECH was selected as insurance adviser of the year in North America, playing a vital role on multiple large-scale and important infrastructure projects in Canada and the US.

Prince George's County Public Schools project is a great example of INTECH's work where it acted as lender and sponsor insurance adviser. INTECH had to deal with the complexity related to there being 6 schools as part of this project, 2 of which were still operational. In addition, INTECH participated in amendments to the insurance requirements in the project agreement during the bid-process and financial close in order to obtain acceptable insurance for the project at hand.



INTECH was also engaged to act as lender and sponsors insurance adviser on the Edmonton Valley Line Project in Canada. The INTECH team had to deal with a changing insurance market as terms and conditions available at bid were not all readily available at financial close. This meant it had to guide its client through the impact and get the lenders and authority comfortable with this situation.

Another key deal for the insurance adviser was the New Adult Mental Health and Addictions Facility P3 in Newfoundland & Labrador. As the insurance adviser to the authority, INTECH had to ensure the right insurance policies were procured and that the policy wordings were the most appropriate for this type of project. Given

the increasing exposure to cyber liability, particularly in a hospital setting or with smart buildings, INTECH introduced a requirement for cyber liability insurance to address this previously overlooked exposure.

Sarah Roberts, president at INTECH, said: "Receiving the insurance adviser of the year award in North America is very meaningful to us, especially this year. Despite the unprecedented times, our team remained strong and committed to delivering top-class service to our clients. Our consultants were able to manage the rapid changes in the insurance industry and delivered creative solutions to achieve successful financial closes. We are very grateful for the commitment of our INTECH consultants and clients during 2020!"

North American Company legal adviser of the year, infrastructure

Torys

An independent panel of judges debated long and hard to pick the winner for the *IJGlobal Awards 2020* legal adviser of the year, infrastructure. Torys was singled out because it is the only law firm with an integrated infrastructure practice on both sides of the US/Canada border with the ability to advise on the planning, procurement and development of significant projects and implement secondary market trades and refinancings.

Judges commented that Torys has "great experience" and is "well respected across the industry". One judge said that Torys merits recognition because of its "ongoing work in multiple infrastructure sectors" and that in 2020, it "was at the forefront of some of the largest and most complex infrastructure projects and acquisitions in North America".

Another judge added: "Torys was scored as the legal adviser of the year due to the volume, scope and complexity of its multi-sector infrastructure deals. Moreover, Torys

led the industry by creating new project finance structures, such as the use of a gas netback."

Torys advised on some stand out transactions in 2020 including the C\$1.5 billion 900MW Cascade Power Project for which it provided legal counsel to the Cascade Power Project Limited Partnership made up of Kineticor Resource, Macquarie Capital, OPTrust, Axiom Infrastructure and DIF Capital Partners.

Another key deal for Torys was DP World's acquisition of Fraser Surrey Docks - the fourth-largest container terminal operator in the world - alongside CDPQ from funds managed by Macquarie Infrastructure Partners. The transaction was complex and multi-faceted, involving the acquisition of the terminal and ancillary commercial transactions. Torys acted as legal counsel to DP World.

Torys also advised OMERS Infrastructure in the \$312 million sale of its 83.5% interest in Detroit River Tunnel Partnership and its

related assets to its joint venture partner Canadian Pacific Railway Limited (CP Rail). This deal showcased the cross border capabilities of Torys' infrastructure team.

Mark Bain, partner and head of the P3 practice group at Torys, said of the win: "We are thrilled to have been recognised as North America legal adviser of the year for infrastructure, an award which speaks to the depth and breadth of Torys' multidisciplinary North American platform. We are proud to field a strong team on both sides of the Canada-US border and to have clients who partner with us to execute on all aspects of their infrastructure and energy work, from regulatory matters and transactions, to PPP, projects and project financings.

"It has been our privilege and pleasure to work alongside clients in this space on award-winning and pathfinder projects at a time when infrastructure activity is on the rise in both Canada and the United States, and as the sector continues to see significant evolution and innovation."

North American MLA of the year **MUFG**



For the second year running, MUFG has scooped MLA of the year for North America and, having consistently ranked high on the league tables in that time, this year was no different. In 2020, the bank closed 88 project finance deals in the region across the power, natural resources, infrastructure and renewable energy sectors.

IJGlobal's independent panel of judges called the bank a "clear leader in the industry" and "consistently one of the best project finance commercial banks in the US market". One judge said it is the "best MLA in the market" and another judge said: "The scope and scale of bond financing arranged by MUFG in 2020 was remarkable, particularly in light of COVID-related market volatility and uncertainty. Their projects represent a broad cross-section of asset classes and structures. Moreover, MUFG served as the lead arranger on 15 project bond transactions in 2020".

MUFG frequently serves as coordinating lead arranger and structuring bank for many

of the largest project financings in North America.

The Whistler Pipeline project, a 500-mile natural gas pipeline in Texas developed by WhiteWater Midstream, MPLX and a joint venture between Stonepeak and West Texas Gas was one notable deal that MUFG successfully delivered \$1.64 billion in debt proceeds, in line with the funding requirements/goals of the sponsors. MUFG was able to deliver the sponsors' objectives through its structuring and syndication capabilities across the bank and bond markets.

Calpine Corporation, a leading producer of renewable geothermal energy closed a \$1.1 billion Climate Bonds Certified financing for its wholly-owned subsidiary, Geysers Power Company in 2020. MUFG acted as lead left arranger along with 7 other lead arrangers to successfully syndicate and oversubscribe the large transaction, despite headwinds from

COVID-19 market impacts, PG&E bankruptcy risk, and California wildfire risk.

KKR executed a \$1.1 billion convertible equity portfolio financing agreement with NextEra Energy Partners for an interest in a 1,125 net MW portfolio of renewable energy assets. MUFG played a critical role in structuring the debt financing, paving the way for the use of convertible equity portfolio financing structures to be utilised in future renewable energy projects.

Erik Codrington, managing director, project finance at MUFG, said: "The MUFG Americas project finance team put in a remarkable performance in 2020, with over 100 successful closings for clients, spread across the bank, bond, and institutional term loan markets. The team showed great resilience and resourcefulness in accomplishing all of this despite the operational and personal challenges of the pandemic and the abrupt shift to remote work."

Providing strength and stability to our clients, one deal at a time



Mitsubishi UFJ Financial Group is pleased to have been awarded **Mandated Lead Arranger of the Year** for both **North America and Latin America**, along with a number of Deal of the Year awards, from the 2020 IJ Global Awards. We thank our clients for these awards and for making us 16 "Deals of the Year" strong. Our sincere gratitude to each and every one of you.



NORTH AMERICA DEAL OF THE YEAR

Battery Storage
Digital Infrastructure
Oil & Gas Canada
Oil & Gas USA
Petrochemicals
Power Canada
Power USA
Refinancing Oil & Gas
Refinancing Power
Renewables Geothermal
Renewables Onshore Wind

LATIN AMERICA DEAL OF THE YEAR

Oil & Gas
Power Transmission
Power
Refinancing Transport
Transport M&A

Bolt Energy Battery Storage Financing
Massachusetts Bay Transportation Authority
Coastal Gaslink Pipeline
Whistler Gas Pipeline
Alberta Propane Dehydrogenation
Cascade Power Project
CPV Three Rivers Energy Center
Freeport LNG Train 3 Refinancing
Linden Cogeneration
Geysers Facilities Project
Western Spirit

Cakua Offshore Gas Compression Station
Alupar Transmission Line
EnfraGen Refinancing
Project Alma
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North American model auditor of the year

Operis

Operis is renowned for financial modelling expertise, due diligence and funding advice and according to IJGlobal's league tables, worked on 10 transactions in 2020 with a total value of \$10.1 billion in North America alone.

An independent panel of judges selected Operis as model auditor of the year in North America and commented that it "demonstrated extensive experience in 2020 across multiple sectors", and had a "solid breadth of project finance coverage through infrastructure and energy". One judge said: "Operis has strong credentials and is able to operate in tight time schedules", with another judge commenting that it is "the best model auditor across the infrastructure spectrum".

In a year in which the global pandemic significantly impacted infrastructure development and the economy, Operis took the time to strengthen relationships with clients and supported them in meeting project milestones. It also reviewed financial models for transactions spanning numerous infrastructure sectors such as power and renewables, transport, social infrastructure and oil & gas.

Within those, Operis reviewed deals as diverse as acquisitions of regulated utilities, greenfield construction of complex transport asset and student accommodations, and acquisitions of portfolios of renewable energies.

Prince Georges County Public Schools (PGCPS) is one such example of Operis' work where it acted as model auditor for the preferred bidder, a consortium made up of Fengate Capital and Gilbane. Delays were caused by the pandemic and a contentious political backdrop due to another Maryland P3 deal occurring at the time.

For this reason, many elements of the project and financing structure were constantly evolving as the deal progressed, but Operis's flexible audit process was able to react easily.

The Edmonton Valley Line West was the latest in a long line of light rail transit (LRT) P3 schemes to be procured in Canada in 2020. Having originally been tendered as a P3 in 2019 (with 3 teams shortlisted in June of that year), the project subsequently ran into difficulties, with 2 teams pulling out of the process. Edmonton subsequently retendered the project.

"Operis has strong credentials and is able to operate in tight time schedules."

Operis was initially awarded the mandate to support the Parsons consortium under the original tender for the LRT project, but subsequently welcomed the opportunity to extend this support to the re-launch in 2020, with Parsons joining in partnership with Colas for the revised tender. Operis provided a 2-stage solution for the project, with both a full audit provided at bid stage and a refresh of that audit undertaken to support the consortium in reaching financial close.

Another key deal for Operis was the CPV Three Rivers Energy Centre Acquisition. Operis acted as the model auditor to support Axiom Infrastructure in its acquisition of an equity interest in the Three Rivers power plant in Illinois, USA.

North American public sector award

City of Edmonton

The City of Edmonton in 2020 advanced several discrete infrastructure projects, successfully acquiring all necessary property for its infrastructure projects.

It was selected by an independent panel of judges for the public sector award because it "demonstrated a sustained commitment to infrastructure in 2020 with multi-sector initiatives (transport, organics processing, parks, etc), as well as diverse delivery approaches" according to one judge. Another said "Edmonton should be recognised for its leadership in infrastructure". One judge said they "appreciated the vision and plan that Edmonton showed with its infrastructure programme which covered various sectors and models, and showed an ability to close a complex LRT transaction in a very timely fashion".

The City of Edmonton's ability to manage a complex infrastructure procurement from start through financial close during a global pandemic is laudable and will serve to demonstrate how infrastructure can be used

as a stimulus for post-Covid recovery.

Valley Line West LRT achieved all procurement milestones despite market shifts due to the pandemic. The procurement launched in January 2020 and reached financial and commercial close on 23 December 2020. The \$2.6-billion project is the second phase of the Valley Line, a 27km low-floor urban style LRT line. The first phase of the project, Valley Line Southeast, is currently under construction.

When the pandemic hit, the team quickly adapted and shifted the process online. Bidders first provided technical submissions, including draft designs and plans, to demonstrate their ability to meet the city's rigorous technical requirements. All teams passed this first hurdle and were invited to submit a financial proposal. The city evaluated these proposals to make sure they met financial requirements, and the team with the lowest financial bid was selected as the preferred bidder.

Edmonton's City Plan was approved by

the city council in December 2020 which combines a municipal development plan and transport master plan. It also includes strategic direction in environmental planning, social planning and economic development and presents a strategy for life in Edmonton.

The plan articulates that public infrastructure contributes toward the health, desirability, functionality, prosperity, sustainability, and resilience of Edmonton. As examples, the plan highlights the need to: design and deliver mass transit and active transport network infrastructure that enable energy efficient mobility; design, build, finance and operate public infrastructure to facilitate movement and universal accessibility in all seasons; and strategically expand infrastructure capacity to enable future redevelopment.

The City of Edmonton has proved it understands that infrastructure is an enabler of its goals. Its push to drive infrastructure has been a beacon of light and hope throughout a challenging 2020.

North American ratings agency of the year

Fitch Ratings

Fitch Ratings was selected by *IJGlobal's* esteemed panel of judges as the North American ratings agency of the year, due largely to its North American infrastructure & project finance team which consolidated its market leading position, rating 76 transactions including 16 new issuers and taking its portfolio to 309 ratings.

Judges commented that Fitch stood out from its competitors in the infrastructure sector, and credit markets more broadly because of its "external engagement", its "ESG leadership" and its "dedicated website on the credit and economic impact of the pandemic."

Fitch won this category because it is currently the only credit rating agency with an integrated, comprehensive, systematic and credit-focused approach showing how ESG factors affect credit ratings from the sector to entity and transaction level.

Globally in the infrastructure sector Fitch now has 4,550 unique data points capturing the impact of ESG factors in credit views.

In 2020, Fitch assigned a BBB rating to a 7-year term loan for the FLNG Liquefaction 3 project, which on substantial completion sought to refinance its original \$2.5bn

"I believe our win can be attributed to our response to the pandemic by stress-testing all the sectors we thought would be impacted and releasing those results publicly."

construction loan. Fitch's upgrade and new rating assignment on the significantly enlarged debt structure came during the height of the pandemic. The rating agency incorporated an analysis of the project's exposure to the likely effects of the pandemic and how its operations were being modified to limit exposure.

Another project impacted by the pandemic was LBJ Infrastructure's \$627 million Private Activity Bond (PAB) refinancing. Toll road traffic had drastically reduced across the US and created a particular level of uncertainty for the economic prospects of managed lanes. Fitch assigned a BBB- rating in August 2020

to the PABs which led to significantly lower debt service costs and strengthened the issuer's financial profile by enhancing its cash flow cushion at a time when such a cushion was particularly valuable.

Fitch has been bold enough to work on emerging infrastructure asset classes like digital infrastructure. In August 2020, Fitch assigned A-, BBB- and BB- ratings on 4 series of notes, totalling \$225 million, secured on SummitIG's high capacity network of fibre optic cable assets, a landmark first financing of its kind of fibre assets.

Cherian George, global head of infrastructure & project finance at Fitch, said of the win: "I believe our win can be attributed to our response to the pandemic by stress-testing all the sectors we thought would be impacted and releasing those results publicly. Our dedicated team should also be commended for all their efforts by providing strong analytics during trying times.

"We also continued to lead on ESG by providing investors with the tools to make a judgement on deals where parts of the credit are affected by thematics."

North American sponsor of the year

Plenary Americas

In 2020, Plenary reached financial close on 3 projects and reached substantial completion and began operations on 6 projects, despite the pandemic which halted work on many construction projects around the world.

Plenary reached financial close on 2 major deals at the height of the pandemic when credit markets were rattled, credit spreads were in uncharted environs and only credit-worthy participants and deals were able to secure financing. It is for this reason it was selected as sponsor of the year for North America.

As well as its greenfield activities, the sponsor also purchased a healthcare portfolio from OMERS Infrastructure that included investments in 3 hospitals and 12 long-term care facilities in Canada. It also sold its operating business as well as a controlling stake in its existing P3 portfolio to CDPQ.

Plenary worked across its core market of health, transport, education, defence, justice

and government accommodation sectors and continued to deliver projects and financing structures that have never before been replicated in the North American market, working with its clients to exceed project and environmental milestones.

Some of the key deals it worked on in 2020 included the Miami Dade Civil and Probate Courthouse, the county's first social infrastructure P3 and the first of its kind in the State of Florida, the University of Idaho Utility System P3 and the New Adult Mental Health and Addictions Facility in Newfoundland & Labrador.

Brian Budden, president & CEO of Plenary Americas, said: "Receiving *IJGlobal's* sponsor of the year award is always a great honour, but we are particularly proud to be recognised this year. It has been a tumultuous time for our industry, our project teams, and most importantly, for our employees and their families. But, despite the many challenges we have faced, our people and our company have continued to



thrive. I'd like to thank the Plenary Americas team and all of our partners and clients for their collective contribution to our success this year."



North American technical adviser of the year
Lummus Consultants International

Lummus Consultants International provides independent engineer reviews and technical due diligence. It has more than 100 years of experience in the energy and infrastructure sectors, including sectors like power generation, transmission and distribution, oil & gas, refinery and petrochemicals and LNG.

In 2020 alone, Lummus Consultants worked on 14 global deals with a combined total of \$52.5 billion advising on primary financings, refinancings, asset acquisitions and additional facilities.

IJGlobal's independent judging panels met in Q2 2021 to judge submissions with a number of judges identifying the consultant as "the clear front runner amongst the candidates based on number of deals" and "very strong in the energy sector with impressive deal volumes".

One judge said: "Lummus provided independent engineer reviews and technical



due diligence on a wide range of projects in 2020. Of particular note was its roles as technical advisor on the Bolt Energy Storage."

Bolt Energy Storage was touted as the largest battery storage project in the world. Lummus provided critical elements of the technical evaluation on the LS Power lithium-ion Battery Energy Storage System portfolio in California consisting of a 200 MW Diablo Energy Storage facility under development, the 250 MW Gateway Energy Storage facility in operation, and the 40 MW Vista Energy Storage facility in operation

with an additional debt package of \$300 million.

Another key deal Lummus worked on was the US\$4.7 billion Coastal GasLink Pipeline, a 670km natural gas pipeline in British Columbia to supply feed gas for LNG exports, with easy access to Asian markets. Lummus provided technical risk assessments focusing on the key risk areas of capital cost, schedule, construction logistics, and regulatory issues.

A third deal that Lummus was involved with was the \$2 billion Sabine Pass LNG Refinancing which was used to repay debt under the existing 2021 bond for which it provided technical risk assessments. The Sabine Pass Liquefaction Facility is owned by Sabine Pass LNG, an affiliate of SPL that is also owned by Cheniere Energy Partners and comprises 5 operating natural gas liquefaction trains and one natural gas liquefaction train under construction.

Support, Trust and Partnership Drive Success

Lummus Consultants International is honored to be named the Global Technical Adviser for 2020. Thank you to IJGlobal for this award and recognition of our efforts.

We would also like to thank our clients. In a challenging year, we successfully executed major financial closings in the oil & gas and power sectors and made tremendous progress on projects that will play a key role in the energy transition.

Your support was unwavering; your trust was critical; and your partnership was meaningful.

Thank you.

LUMMUS CONSULTANTS
 I N T E R N A T I O N A L



IJGlobal Awards 2020



Latin America winners

As with other regions, the number of submissions for the company category for Latin America received an unprecedented amount of submissions... which we put down to improved marketing ahead of market activity!

Having said that, LatAm was no slouch for deals closed in the 2020 calendar year giving the independent panel of judges a challenging job to identify the market leaders.

Due to coronavirus and the inability to host physical judging events, we created a dedicated LatAm panel to oversee this process... which we will continue to do in future years.

Congratulations to all the winners!

Winners in the Latin America companies category are:

- Latin American bond arranger of the year – **Goldman Sachs**
- Latin American corporate trust of the year – **Deutsche Bank**
- Latin American DFI of the year – **IDB**
- Latin American financial adviser of the year – **Astris Finance**
- Latin American international legal adviser of the year – **Milbank**
- Latin American local legal adviser of the year – **Garrigues Peru**
- Latin American MLA of the year – **MUFG**
- Latin American model auditor of the year – **Mazars**
- Latin American public sector award – **BNDES**
- Latin American ratings agency of the year – **Fitch Ratings**
- Latin American sponsor of the year – **Atlas Renewable Energy**
- Latin American tax adviser of the year – **Pinheiro Neto Advogados**
- Latin American tax adviser of the year – **Infrata**

Latin American bond arranger of the year – **Goldman Sachs**

Amidst volatile market conditions and a challenging macro environment in 2020, Goldman Sachs has built on its leadership in Latin American infrastructure financings, and continued to demonstrate its leadership in innovative and inaugural transactions in the ESG space, with a particular focus on Covid-19 response.

An independent panel of judges selected GS as the winner of bond arranger of the year in Latin America because of its “continued leadership in the bond market for LatAm projects and infrastructure financings”. One judge commented: “GS has had a quite great year, closing particularly innovative transactions such as the Ecuador Social Bonds”, and another said: “The bank showed a great concern with ESG issues in a year when those were the most relevant questions. Deals were very interesting and innovative combining different sources of financing in different sectors.

One judge added: “GS has the ability to execute across multiple situations and take a more proprietary view on credit underwriting. You see them whenever there is a complex deal to be solved”.

As mentioned by one of the judges, a notable transaction for the bank was the Ecuador Social Bonds. GS acted as sole global coordinator, bookrunner & social notes structuring agent for the issuance of \$400 million 7.25% social notes due 2035. Ecuador became the first sovereign in the world to issue a social bond with the proceeds used to fund the country's social housing programme.

GS acted as sole bookrunner and structuring agent on a \$360 million Covid-19 relief term loan due 2027 and on the subsequent issuance of \$342 million Covid-19 relief notes due 2027 for Banco Nacional de Panama. The transaction was part of the largest Multilateral Investment Guarantee Agency (MIGA)-guaranteed financing in LatAm.

A third transaction of note was Tierra Mojada for GS. FEL Energy successfully priced \$953 million of senior secured 144A/reg S notes, with GS acting as joint bookrunner. Through unique structural features including a cash sweep, the issuance achieved 3 investment grade ratings, Baa3 (Moody's), BBB- (S&P) and BBB- (Fitch) despite material exposure to merchant revenues.

Latin American DFI of the year – **IDB**

IDB's presence is crucial in the infrastructure and energy sector in Latin America. By arranging debt packages and credit lines to sponsors in Chile, Panama, Honduras, Brazil, and Peru, among others, the IDB was able to help the economy and ensure the development of strategic assets in the region.

An independent panel of judges praised the DFI's “breadth and creativeness of the deals the team has executed”. One judge said: “IDB has always been an important player in financing and structuring innovative and challenging deals in Latin America”, and another said: “IDB was truly in a league of their own in 2020 in terms of innovation and execution by DFIs in the Latin American project and infrastructure market. The diversity, complexity and leading-edge nature of their transactions in 2020 was quite impressive”.

“IDB was truly in a league of their own in 2020 in terms of innovation and execution.”

A key deal for IDB was Huemul financing. After being awarded a 20-year PPA in 2016, Mainstream began to look for financing to develop the wind and solar projects and reached out to banks to close debt packages for the second portion of the 630 MW Huemul. After months of negotiations and delays caused by the pandemic, IDB Invest and other banks managed to reach financial close on the \$620 million 19-year debt package in 2020.

Last year, IDB Invest and DNB Bank arranged the \$67 million loan for the 187 MW Jacaranda project - also known as New Juazeiro - owned by Atlas Renewable Energy. The deal was the first time a Brazilian solar project had been fully financed in US dollars, which proved IDB's skill and leadership.

IDB Invest provided a \$100 million 8-year debt package to fund the expansion of Gas Natural de Lima y Callao gas distribution system in Lima and Peru's constitutional province of Callao. IDB closed the deal, proving once again how it was able to fill the gap left by the local investors, who were not able to provide these loans. The deal also proves IDB's versatility, as it showed that it can work across Latin America in pure project finance deals and corporate transactions.

Latin American financial adviser of the year – **Astris Finance**

In 2020, Astris Finance closed \$2.3 billion of financing in 11 projects across different sectors like transport, renewable energy, and power in key markets in the region including Brazil, Chile, Peru, and Mexico, as well niche countries such as Uruguay.

An independent panel of judges selected Astris as the financial adviser of the year in Latin America because “it demonstrated that it was a talented financial adviser in a very demanding year”. One judge said Astris has an “impressive presence across the region” and another said “Astris continues to impress in terms of innovation and transaction execution”.

A notable deal Astris worked on in 2020 was advising Grupo Via Central, a consortium owned by Sacyr, NGE, Saceem, and Berkes on the closing of a \$75 million, 12-year subordinated tranche with IDB Invest and Global Infrastructure Partners (GIP).

Astris successfully managed to close the refinancing of Pemcorp Mexico despite the Covid-19 crisis and the Mexican energy sector's political uncertainties, the latter particularly averse to private investments. The Pemcorp refinancing consisted in a 7-year mini perm for a debt amount of \$170 million backed by contracted revenues.

The Arco 1 portfolio refinancing in Chile was another great win for Astris. The refinancing included 3 tranches, totalling \$430 million and backed by contracted revenues (energy sold through PPAs to Minera los Pelambres, the biggest copper mine in Chile) with the surplus sold in the spot market. A mix of PPA and merchant financing in Chile was backed by renewable assets with 6 international lenders, done in the middle of the pandemic, while generating significant cash-in and value for the sponsor.

“We are delighted and honoured to have received this award for the third year.”

Tobey Collins, managing director, head of energy, Americas at Astris Finance, said: “We are delighted and honoured to have received this award for the third year in a row. The recognition by our peers in the Latin America region means so much to our regional and global teams. We give heartfelt thanks to our clients who have provided us with such exciting opportunities where our team has been able to showcase our talents and creativity.”

Latin American corporate trust of the year

Deutsche Bank

For the last few years, Deutsche Bank Corporate Trust has won *IJGlobal's* corporate trust of the year in North America but this year it has also won in Latin America.

In the Americas, Deutsche Bank provided services to projects worth \$6.8 billion, serving sponsors from 8 countries covering the full spectrum of assets from renewable energy, power, transport, midstream oil and gas, telecoms, and water and waste sectors in 2020. Last year it had an added focus on sustainable financing.

An independent panel of judges selected Deutsche Bank because its "depth and breadth of coverage and reported ease of use and quality of execution was impressive". One judge said "Deutsche Bank was more active in terms of deals and volume in Latin America. And they were really interesting deals which involved multiple jurisdictions". Another judge said it had a "good coverage of the region with a dedicated team of professionals specific to trust services related to project finance and infrastructure assets".

Deutsche Bank acted as administrative agent and collateral agent on the closing of Polaris Infrastructure's \$27 million loan financing with the Brookfield Infrastructure

Debt Fund in 2020, seamlessly executing all tasked duties, ensuring timely completion of the deal, smooth account openings, and swift responses to client inquiries.

It also worked on X-Elio's \$40 million project financing of La Cruz, a 58MW solar PV plant in Chile, another deal hit by the pandemic and unexpectedly impacting the project timeline as rolling shutdowns, travel restrictions, and the shift to entirely remote working positions posed issues for all deal parties located in Spain, the US, and Chile. Despite these challenges, X-Elio and Deutsche Bank were able to work seamlessly together maintaining regular communication and organisational processes, successfully bringing the project to financial close.

Deutsche Bank was also engaged to act as offshore collateral agent and offshore account bank on Proman Group's Topolobampo project, an ammonia plant in the industrial port of Topolobampo on the Gulf of Mexico. Deutsche Bank was engaged on the deal a few weeks before the closing, leveraging a previous relationship with the client from a prior deal, the transaction was set-up, executed, and completed in an expedited timeframe.



Thalia Delahayes, head of project finance agency, Americas at Deutsche Bank, said: "We are honoured to have won the Latin America corporate trust award from *IJGlobal*. This recognition from the journal's editorial team and industry experts is a testament to the quality of services provided by our project finance agency teams.

"Given the past year's headwinds, we are proud to have been able to seamlessly support our clients while demonstrating resiliency and robust business continuity plans in helping developers, sponsors and investors bring their projects to financial close."

Latin American international legal adviser of the year

Milbank

For the second year running, Milbank was selected as international legal adviser of the year in Latin America for 2020, considered to be the only law firm with a project finance practice consistently recognised across all industries and countries in the region.

An independent panel of judges said Milbank was "very active in the region across different sectors and products - loan and bonds - and has a pragmatic approach". One judge said "Milbank has great coverage of the key sponsors and underwriters in the region. It worked on milestone capital markets transactions and has the ability to support large and smaller projects". Another judge commented: "Milbank has a very practical approach to legal advice which is much appreciated by business people".

A key deal for Milbank in 2020 was advising FEL Energy on a \$953 million offering of 5.750% senior notes due 2040 for the Tierra Mojada project, a natural gas-fired combined-cycle power plant in Mexico.



Milbank acted as lenders, counsel in the \$450 million financing to Lima Airport Partners (LAP) for the expansion of the Jorge Chávez International Airport, a second key transaction for the law firm.

Mainstream's project financing of the 630MW Huemul portfolio, which comprised 3 onshore wind and 2 solar PV generation assets is another deal that Milbank worked on, advising sponsor Mainstream Renewable Power and its subsidiaries.

Dan Bartfeld, practice group leader of the firm's global project, energy and infrastructure finance group, said: "We take great pride in being recognized by *IJGlobal* as Latin American legal adviser of the year. We have embedded a culture where our clients view us as their 'trusted advisers', so we provide not only great legal services, but also practical and business-oriented advice. We also put a premium on hiring the best associates - we have an incredible group of young attorneys who are extremely hard-working, dedicated, interested - and interesting - and curious about our business, this is really key since they are often the front line of day-to-day interaction with the clients.

"As a result of the coordinated and team-oriented culture that we have very intentionally created, our clients feel great about us as key members of their team, and they bring us with them when they embark in new countries and in new industries and in new financing/acquisition arrangements."

Latin American local legal adviser of the year – **Garrigues Peru**

Although many ongoing infrastructure and energy projects had to halt construction and development to comply with strict emergency measures declared by the Peruvian Government, Garrigues still advised a significant number of agencies, companies and financiers on various projects of vital importance to develop national infrastructure.

It is for this reason it was selected as local legal adviser of the year for Latin America by *IJGlobal's* independent panel of judges which said Garrigues provided "great customer service and impressive deal flow coverage in both Peru and Chile."

The law firm was involved in 9 transport infrastructure projects, 4 oil & gas projects, 1 water irrigation project, 1 hospital project and 3 energy projects, among others in 2020.

Securing this award is a testament of Garrigues' strong footprint in the region.

Garrigues has a multidisciplinary approach which was evidenced in major M&A, finance, capital markets, regulatory and banking transactions throughout 2020 (including innovative social bond issuances, novel securitisations, inaugural debt issuances, sovereign offerings and IPOs in the US market).

Notable deals it worked on included acting as lenders, counsel to finance the Lima Airport expansion, advising the lenders on China Yangtze Power International's acquisition of Luz del Sur, a cross-border \$4 billion financing, under Hong Kong law and advising Grupo Romero in the sale of Tramarsa Flota, Naviera Tramarsa and Diving del Perú to PSA Marine.

Oscar Arrús, partner at Garrigues said: "We are extremely proud to have been awarded Latin American local legal adviser of the year. Securing this award is a testament of Garrigues' strong footprint in the region and a recognition of our continuous efforts to advise clients on cutting-edge and complex transactions. We are honoured, once again, to be recognized by *IJGlobal* and believe this will help us to continue delivering exceptional client service across the region."

Latin American model auditor of the year – **Mazars**

In 2020, Mazars helped to make sure scarce resources were used effectively to build and maintain new energy and infrastructure assets. In the Latin America region, Mazars worked on 4 deals that reached financial close in 2020 with a capital value of circa \$2.6 billion and topped the *IJGlobal* league tables in the calendar year.



A key deal Mazars worked on was to provide model audit services to EnfraGen in relation to the refinancing of its existing portfolio of assets in Latin America. The primary use of proceeds from the notes issued, combined with a pari passu \$1.05 billion bank debt package for a total of \$1.76 billion, refinanced the issuers' existing debt portfolio. It also fully funded near-term growth projects as part of EnfraGen's broader strategy to fund multiple growth initiatives and optimize its capital structure.

Mazars provided model audit services to the concession created to build 50.2km of new road, 2 tunnels, bridges and revamping the existing Cúcuta-Pamplona 4G highway, located in the Norte de Santander Department in Colombia. The sponsors of the 62.2km (38.65 mile) Cúcuta-Pamplona highway reached financial close on a USD 520m debt package in 2020.

Latin American public sector award – **BNDES**

In 2020, Brazilian development bank BNDES advanced plans to reposition itself as more than just a lender. Traditionally seen as a major competitor by commercial national and international debt providers, it now wants to be identified as a one-stop-shop for developing Brazil's infrastructure, a sector seen as critical for economic recovery as it emerges from the Covid-19 pandemic.

Judges said of BNDES: "It continues to be the mainstay of funding infrastructure in the Brazilian market while also seeking to evolve their role in advancing Brazilian infrastructure". One judge commented: "BNDES is one of the main players in Brazilian infrastructure and is doing a great job in leading the privatisation programme in Brazil". Another judge said: "BNDES is very strong in execution and supporting priority sectors".



At the centre of this new concept is the steep increase in project origination and structuring, something that the bank is not used to doing at large-scale. For that, the bank works closely with federal, state and city governments that are looking into structuring concessions, PPPs or privatisations. BNDES's leadership aims to change this function by acting more like other DFIs that focus on attracting other sources of financing to the country instead of being the sole lenders on large projects.

Latin American MLA of the year

MUFG Bank

MUFG ranked consistently high in the *IJGlobal* league tables in 2020 and is widely considered the leading MLA for project finance in the Americas. It closed 88 deals last year across the power, natural resources, infrastructure and renewable energy sectors.

It is for this reason that an independent panel of Latin American judges selected MUFG as MLA of the year for the region. As one judge said: "MUFG had a year head and shoulders above others in terms of the complexity and diversity of the transactions which they led". Another judge said: "the bank had a strong year and great capital coverage of the region".

One of the biggest deals MUFG worked on in Latin America was Enfragen refinancing. The sponsors of Enfragen, jointly controlled by Glenfarne Group and Partners Group, were seeking to refinance and expand a portfolio of power and renewable assets in Chile, Colombia, and Panama. The refinancing utilised a project finance arrangement to raise over \$1 billion bank commitments and a \$710 million private placement.

The hybrid (bank bond) structure provided the capital required to fully fund near-term



growth projects and optimise Enfragen's capital structure. The financing was completed prior to year-end 2020 taking advantage of the continued rally in the market and lower supply dynamics. It was also executed during an election and the pandemic.

The La Virginia - Nueva Esperanza Transmission Line (Alupar) was for the design, construction, finance, operation and maintenance of a new 235.4km long 500kV power transmission line connecting the substations of La Virginia and Nueva Esperanza crossing 27 municipalities in the departments of Cundinamarca, Caldas,

Tolima and Risaralda. MUFG was the lead arranger, swap coordinator (both interest rate and FX), and offshore collateral agent for this transaction valued at \$163.5 million in total construction facilities. It was considered a landmark transaction because it was the first greenfield transmission line in Colombia to be financed with an international project finance structure. This was also Alupar's first transmission line project in the country.

A third deal of note for MUFG was the 630.2MW Huemul Portfolio for the development, construction, and operations of 3 wind assets and 2 solar assets. The deal represents an important transaction in the Latin America project finance space as it will help support Chile's renewable energy target of supplying 20% of the country's electricity from renewable resources by 2025.

Ralph Scholtz, managing director, project finance, Americas at MUFG said: "The LatAm region was hit hard by the pandemic but our clients managed to move forward through the market uncertainties. We are very thankful to earn their trust and honoured to get recognised in such challenging times".

Latin American ratings agency of the year

Fitch Ratings

In 2020, Fitch worked to enhance its reputation as a thought leader on the Latin American infrastructure sector, publishing over 19 special reports and other non-rating related commentaries, in addition to 282 rating publications.

Fitch has the largest presence in Latin American project finance (157 public project finance ratings), with increasing coverage of roads, ports, airports, hydro, transmission lines, thermo plants, renewables and social infrastructure.

Over the past couple of years Fitch has rated over \$11 billion of cross border debt for Latin American infrastructure projects. Its expertise has reached into local markets such as Brazil, Mexico, Colombia and Chile, with over 120 local ratings on \$10 billion of project finance debt.

An independent panel of judges selected Fitch as the Latin American ratings agency of the year because of the important role it has played in providing timely, insightful and transparent commentary. This has helped to

The Fitch infrastructure team has done a fabulous job in staying on top of the most-affected transportation portfolio.

bring efficiency to capital markets by assisting market participants make informed, timely decisions. The Fitch team also focused on keeping market participants informed on the credit implications of the coronavirus crisis.

Fitch has been combining its long knowledge in each of the markets with global/regional expertise in Spanish, Portuguese and English.

Deals of note that Fitch provided credit ratings for in 2020 were the senior secured notes to be issued by Guara Norte (BB+), an FPSO (offshore oil production and storage) in Brazil, the planned issuance of

senior secured notes for FEL Energy (BBB-), a thermal energy transaction and ratings to the Javiera & Parque Fotovoltaico Sol del Desierto renewable projects (BBB-) located in Chile.

Cherian George, global head of infrastructure & project finance at Fitch Ratings, said: "The pandemic has taken a heavy toll on Latin America, where conditions have been bad and continue to worsen. The Fitch infrastructure team has done a fabulous job in staying on top of the most-affected transportation portfolio.

"This has required several reviews as conditions change and a recovery remains distant unlike parts of the developed world. The Fitch response amidst personal and professional challenges has been remarkable with timely ratings actions and issuer commentary, along with topical, in-depth industry research across the infrastructure and energy space, investor calls and webinars. Our regional expertise is well-recognized and unmatched."

Latin American sponsor of the year – **Atlas Renewable Energy**

Atlas is the fastest growing and most innovative company in the Latam region developing and financing solar energy projects for large energy consumers through corporate PPAs which is why it was singled out by an independent panel of judges as sponsor of the year in Latin America.

Judges said: "Atlas' projects with Anglo American and Dow provide double the green benefit – development of renewable energy resources generally and a greening of the chemicals and mining sectors". One judge said: "Atlas worked on complex deals involving several jurisdictions and innovative structure", with another commenting: "Atlas did a first of a kind transaction financing a PPA in US dollars in Brazil in partnership with IDB. It also executed in a difficult environment the financing of an institutional financing for a greenfield solar project in Chile."

Atlas was part of the Ananuca Deal in Chile where it issued, alongside DNB Markets, a \$253million US private placement in green bond format. This was the largest solar bond in Latin America with a unique structure combining the financing of a new project (with construction risk) with a bond, while at the same time with the same bond, refinancing an existing operational project.

The sponsor, together with IDB Invest and DNB Bank executed the first US dollar project financing in Brazil's renewable sector, obtaining a \$67 million loan to finance the construction of Jacaranda, a 187MW solar project in Brazil. The deal represented a dramatic breakthrough that enabled new global investors previously concerned with currency risk, to be able to invest in Brazil with significantly reduced FX risks.

A third key deal for the sponsor was the Casablanca Solar project in Brazil, the company's second and largest financial closing in US dollars in the country. Atlas obtained a \$150 million loan to finance the construction of Casablanca, a 359MWp solar project. As part of the social programme associated with the project, Atlas designed an initiative to promote diversity and inclusion and offer training to the local female workforce that could then opt for technical jobs within the plant's construction. The financial deal structure also falls under Atlas' Green Finance Framework - a testament to the company's commitment to developing projects that protect and preserve the environment.

Latin American tax adviser of the year – **Pinheiro Neto Advogados**

Pinheiro Neto Advogados' was selected as tax adviser of the year for Latin America because of the firm's tax law experience in assisting local and foreign companies in bidding processes, funding projects, creation of consortia and various equity acquisitions in the infrastructure sector.



In 2020, Pinheiro Neto Advogados was hired by the Royal Golden Eagle Group for the expansion of the Pulp Plant project in the State of São Paulo. The project included not only the construction of the new industrial plant, but also the acquisition of wagons and locomotives to carry out the transport of products and raw materials, the installation of a thermoelectric plant for the production of energy and the leasing of a port terminal. The deal required both in Brazil and abroad, a significant amount of assets, especially fixed assets. Pinheiro Neto Advogados worked on reducing the tax cost of implementing the infrastructure project.

Another key deal for the law firm was the acquisition of Baúna oil cluster by Karoon Energy from Petrobras. It provided legal support on the tax and customs aspects of the acquisition of Baúna oil cluster by reviewing negotiating charter and service agreements for the FPSO, preparing the legal strategy for the transfer of the FPSO from Petrobras to Karoon and discussing the allocation of the revenues, expenses and costs of Baúna oil cluster during the post signing period.

Pinheiro Neto Advogados also provided tax advice on Cecília Rios Sibulka Aegea's issuance of preferred shares which involved a unique structured financing amounting to BRL 500 million. The transaction involved the finance and improvement of Brazilian sanitation infrastructure.

Latin American technical adviser of the year – **Infrata**

In 2020, despite the global market downturn, Infrata worked on more than 100 transactions across 29 countries in Europe, North America, South America, Asia, Africa and Oceania spanning the road, rail, airports & ports, social infrastructure and street lighting sectors.

Infrata acted as lenders, technical adviser and environmental and social adviser on the Ferrocarril Central project. The project entails the DBFM of a 273km railway joining the north and the south of Uruguay to boost the economy by increasing the traffic of goods and people, with a total capex of \$1.1bn. Ferrocarril Central is the only project of its kind in a country with very limited railway technology. Infrata carried out a deep and thorough analysis of the concessionaire's plan and technical proposal as well as the complex contract structure which involved 6 different lenders and 4 sponsors.

This award has come at a wonderful time for us as we are celebrating our 10th anniversary this year and we are very proud of our success.

Another key deal Infrata worked on was the refinancing of the loan package secured for the Red Vial 4 Pativilca-Trujillo in Peru. The new financing was backed by cash flow from already operational tolls. The sponsor will use proceeds to refinance previous debt associated with the highway construction and to fund additional works, including construction of the 37km Chimbote bypass. The refinancing of this project included a large number of multilateral and investment banks.

Alonzo Guzman, managing director at Infrata, said: "We are delighted that we have won Latin American technical adviser of the year and involved in another 2 award winning deals at this year's awards. This award has come at a wonderful time for us as we are celebrating our 10th anniversary this year and we are very proud of our success and the supporting role we've played. We would like to take this opportunity to congratulate our clients and all parties involved for making the projects a resounding success."

IJGlobal Awards 2020



Asia Pacific winners

This year's submissions for the *IJGlobal Awards* in the APAC region outmatched any previous levels and give the editorial team more work than anticipated writing it all up – as you will see in the pages to follow.

We would like to take this opportunity to thank everyone for taking the time to submit for the *IJGlobal Awards 2020* and to congratulate all the winners.

We would also like to thank the independent panel of judges who gave their considered opinions on so many of the results.

Congratulations all.

Winners in the Asia Pacific companies category are:

- Asia Pacific bond arranger of the year – **MUFG**
- Asia Pacific DFI of the year – **Asian Development Bank**
- Asia Pacific financial adviser of the year – **DBS**
- Asia Pacific legal adviser of the year – **Allen & Overy**
- Asia Pacific MLA of the year – **Societe Generale**
- Asia Pacific model auditor of the year – **BDO**
- Asia Pacific public sector award – **Government of Indonesia**
- Asia Pacific ratings agency of the year – **Fitch Ratings**
- Asia Pacific sponsor of the year – **Ayala**
- Asia Pacific technical adviser of the year – **Mott MacDonald**

Asia Pacific bond arranger of the year – **MUFG**

The award for Asia Pacific bond arranger of the year has been won by MUFG.

Voting for this category was the closest by our team of Asia-based independent judges. “MUFG’s focus on innovation brings it over the line,” noted a judge.

Sydney Airport issued in February 2020 a US private placement (USPP), in which one 20-year tranche had a coupon linked to ESG performance. This complemented A\$1.4 billion (\$722 million) ESG-linked bank loans the Australian airport operator raised in 2019.

The triple-currency USPP is understood to be the first ESG-linked USPP and the first USPP issuance with potential for two-way pricing movement.

“MUFG’s focus on innovation brings it over the line.”

“From the outset it was our intention to price the ESG tranche alongside a vanilla tranche of the same maturity to evidence the price differential between the two,” Matthew Carr, head of debt capital markets for Australia and New Zealand at MUFG Securities Asia, told IJGlobal. “On this transaction, 20 years best suited the maturity preference of the particular investors.”

“The Sydney Airport ESG bond could lay the pathway for other issuers,” added another judge.

MUFG was a joint bookrunner on Malaysian state-owned oil and gas company Petronas’ \$6 billion bond offering in April 2020. At that time, it was one of the largest by an Asian issuer in history. The 144A/Reg S transaction was Petronas’ first on the US dollar bond market since 2015.

The bank was also joint global coordinator and joint lead manager on Singapore’s first US dollar corporate green bond – Singapore-based independent power producer Vena Energy’s \$325 million, Reg S green bonds. The 2025 notes closed at 3.133%, or a spread of 172.5bp over US Treasuries.

“While the Petronas and Vena deals were not strictly project bonds,” noted a judge, “they showed MUFG’s capabilities in different sectors.”

Asia Pacific DFI of the year **Asian Development Bank**



Our team of Asia-based independent judges decided to award the Asia Pacific development finance institution of the year to Asian Development Bank (ADB).

ADB and China Gas in March 2020 signed a \$20 million non-sovereign loan agreement to ensure gas deliveries make it to end-users in Hubei. In the wake of Covid-19, China Gas expanded operations to secure gas to help ensure continued service to existing customers and to make gas available for new needs such as the supply of LPG to hospitals and health facilities.

“ADB’s lending to China Gas helped the company finance gas supply for new hospitals that were hastily being constructed to meet the growing demand for beds,” said a judge. “The timely financing during the first phase of the pandemic was very impressive. It served the purpose of development financing institution in true form.” Another judge added: “The Wuhan financing in the early days of the pandemic was made with unusual speed, showing ADB’s agility in a crisis.”

The judges also praised ADB’s financing of a 50MW solar power plant and transmission line in southern Vietnam. The project was one of the first international project financed solar power projects in the country. The multilateral helped to mitigate the risk perceptions of commercial lenders to Vietnam’s renewable energy market.

“It was effectively the first lending of scale to a renewables project in that way with the B loans structure which is fairly innovative,” said a judge. “It provides a potential pathway for similar lending.” Another judge noted: “The slightly unusual structure helped break through what was otherwise a difficult market for commercial banks.”

“ADB’s lead role broke the impasse on the bankability of the PPA for Vietnamese renewables,” added a third judge.

ADB’s participation in Afghanistan’s first private sector gas-fired power project financed by development finance institutions including ADB was also ground-breaking.

The financing of the 59MW Mazar-e-Sharif gas-fired power plant, which also won the IJGlobal 2020 DFI transaction of the year, will have wide-ranging impacts across the fragile and conflict affected country.

Asia Pacific legal adviser of the year - **Allen & Overy**

Our team of Asia-based independent judges awarded the Asia Pacific legal adviser of the year to Allen & Overy.

Allen & Overy has an enviable heritage in this sector – a law firm with infrastructure and energy truly in its DNA. A&O is a mainstay of the IJGlobal Awards agenda having for decades played a pivotal role in the delivery of infrastructure and energy around the world.

“Our busiest ever year at the practice with choice roles on almost all the major projects in APAC,” said A&O. “We are working on more secondary market transactions, such as acquisitions and acquisition finance in relation to interests in projects/energy companies and energy and natural resources transactions, refinancing and other similar transactions.”

The law firm advised the lenders on the more than \$740 million Almaty ring road PPP project, described as Central Asia’s first proper PPP. DFIs dominated the \$585 million limited recourse project financing – with a full pass-through of EPC and O&M risks to the relevant contractors. Bank of China and PGGM took EBRD’s B loans.

A&O also advised Ichthys LNG as borrower on the massive refinancing of the Ichthys LNG project. Lead sponsors Inpex Corporation and Total in June 2020 refinanced its project debt, which sized at \$8.29 billion and was said at the time to be the largest refinancing of a project finance facility. Liquidity from a global mix of commercial banks was surprisingly strong, given the timing amid the Covid-19 pandemic and an oil price crash, with uncovered debt’s pricing significantly reduced.

“Allen & Overy was involved in varied and high-profile deals,” said a judge.

The law firm advised the lenders on the refinancing of the integrated Roy Hill iron ore project in Western Australia. The refinancing is a milestone to complete development, which, at the time of the first transaction, was the largest ever project financing in mining. Roy Hill is now poised to be one of Australia’s largest operating mining projects.

“The choice was difficult,” conceded a judge. “Most of us have long-term relationships through retainers or panels. Allen & Overy’s geographical, sector diversity and broad range won the day.”

Asia Pacific financial adviser of the year DBS



The award for Asia Pacific financial adviser of the year has been won by DBS.

Despite Covid-19, DBS won 10 new financial advisory mandates, with 15 mandates under execution for about \$5.5 billion of debt. Assignments spanned 8 markets in the region. They involved a diversified portfolio in renewables (wind, solar and geothermal), LNG, metals and mining, and oil and gas sectors.

"DBS had a strong diversified set of mandates with a robust green focus," said one of the judges.

The Singapore-headquartered bank advised on Taiwan's first and largest floating solar plant built in an inter-tidal zone for Marubeni, acquired from I Squared Capital. The Changhua 181MW floating solar project, among the world's largest, was a landmark transaction. It convinces the public and private sectors of the bankability of floating solar, encouraging similar projects across Asia.

The judges also candidly discussed DBS' performance. "I really struggled because of the coal project," said a judge. Others echoed the sentiment.

DBS completed its last coal-fired power plant mandate for a 2GW power plant complex in Indonesia. Java 9 and 10 is a project led by a PLN subsidiary (51%), Barito Group and Kepco from South Korea. With about 45% or \$1.1 billion from commercial banks of the \$2.5 billion total debt raised, the financing is one of the largest commercial tranches for greenfield IPP financing in Indonesia.

The transaction required a bespoke corporate governance solution to satisfy lender concerns. As Indonesia has adopted a shareholder/offtaker model from the Middle East, the deal is a possible model for future Indonesian projects.

A judge complimented DBS' tenacity in working with a large state-owned sponsor.

"They had to work around the PLN and all the share pledges issues. It was an important and difficult deal."

"They had to work around the PLN and all the share pledges issues. It was an important and difficult deal," said the judge.

Judges were also impressed by the bank's involvement in the 70MW Mingus ground-mounted solar project in Taiwan.

DBS led negotiations about the optimal risk allocation in the corporate PPA, one of the first of its kind in Taiwan. This was an innovative project that will be the largest utility-scale solar plant in Taiwan when commissioned.

"DBS had an impressive submission," summarised a judge.



Asia-Pacific Financial Adviser of the Year



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Asia Pacific MLA of the year **Societe Generale**

The award for Asia Pacific MLA of the year has been won by Societe Generale. The judges had nothing but praise for SocGen.

"SocGen's submission showed a wide range of projects in which they were involved," said a judge.

The French bank financed the ground-breaking 180MW Changhua floating solar farm in Taiwan, the massive CFXD offshore wind in Taiwan and Japan's first commercial scale offshore wind farm – all 3 transactions were named deals of the year.

SocGen was MLA, technical bank, and hedge provider in the NT\$7.3 billion (\$240 million) project financing of the 180MW Changhua floating solar project in Taiwan – one of the largest in the world. Marubeni acquired the project at financial close from I Squared Capital.



"The team has come to the fore again," said another judge. "We're impressed by the diversity of their portfolio. The mix of markets and sectors is quite impressive."

SocGen arranged the debt behind the Changfang and Xidao offshore wind projects in the Taiwan Strait, collectively known as the CFXD project, via a roughly NT\$120 billion financing package.

SocGen was the first international bank to finance the solar power sector in Indonesia. It financed 2 of Berkeley Energy's solar projects to bring cheaper electricity to Sulawesi and Lombok.

Meanwhile, the bank made a strong play into India's renewables market by financing these projects: Softbank Energy's 600MW solar, Engie's 200MW Raghnesda solar and KKR's acquisition of 130MW of operating solar assets.

While the bank continued to grow its Australian renewables book, SocGen was a strong backer of a strategic gas-fired power project in Bangladesh with financing for the 718MW net CCGT power plant in Meghnaghat.

"I too was impressed by the diversity of their portfolio," added another judge. "From Taiwan's first floating solar and the massive Ichthys LNG and Roy Hill iron mine refinancings to Taiwan offshore wind and India's solar portfolio financing markets, SocGen had an impressive mix of markets and sectors."

Asia Pacific model auditor of the year – **BDO**

BDO is the Asia Pacific model auditor of the year. *IJGlobal* credits BDO with more than \$47 billion project value on 15 transactions during the past 5 years. Three deals worth \$9 billion closed in 2020.

BDO affiliates in Australia and the UK provided model audits to clients across Asia Pacific. BDO Australia worked on the financing of the Changfang and Xidao Offshore offshore wind project (CFXD) in the Taiwan Straits. That financing is the APAC Regional Project Finance and Export Finance deals of the year.

Sponsors Copenhagen Infrastructure Partners, Taiwan Life and TransGlobe Life, reached financial close in February 2020 through a nearly NT\$120 billion (\$3.94 billion) financing package. BDO reviewed the financial model by CIP's advisers for financing and to ensure compliance with the underlying project and financing documents and local accounting and tax legislation. BDO Taiwan provided support for tax compliance.

BDO worked closely with the lenders and CIP's advisers to meet the changing demands during the transaction. "Throughout the model audit process, BDO provided practical and relevant recommendations that enabled CIP's advisers to provide a financial model to lenders that was not only fully audited but also met all lenders, internal requirements for the purpose of obtaining credit approvals," the company said.

BDO UK also supported Tengizchevroil's \$5 billion refinancing to repay loans drawn to fund its \$45 billion Future Growth Project/Wellhead Pressure Management project. Proceeds are used to increase the production capacity by about 260,000 barrels of oil per day in western Kazakhstan's Tengiz and Korolev oil fields.

At closing, Chevron, ExxonMobil, state oil and gas company KazMunayGas and Lukoil subsidiary LukArco owned Tengizchevroil. BDO reviewed a range of financing documentation, including common security agreement, bond indenture, commercial bank facility agreements, most with separate documents from Chevron and ExxonMobil.

BDO's prior experience on the original upstream project, working with JP Morgan as financial adviser, allowed the company to untangle the bureaucratic requirements to support a project in Kazakhstan.

BDO provided financial model audit support during a 3-month period, which assisted the upstream operator in securing additional senior debt financing of about \$30 billion to fund the remaining capital expenditure.

Asia Pacific sponsor of the year **Ayala**

Our team of Asia-based independent judges awarded the Asia Pacific sponsor of the year to Ayala.

As the Philippines' oldest and largest conglomerate, Ayala has long been a mainstay in the country's development. It was the group's concerted effort beyond the archipelago that judges praised.

The refinancing of the 75MW Sidrap I wind farm, Indonesia's first wind power project, by Ayala subsidiary AC Energy and UPC Renewables anticipates the development of the nearby Sidrap II. Sidrap I was AC Energy's first offshore greenfield investment.

"Sidrap's refinancing shows the company's commitment to the Indonesian market and illustrates Ayala's growth strategy beyond the Philippines," said a judge.

The same could be said for AC Energy's 210MW wind farm in Quang Binh – the largest wind farm to date in Vietnam to enter construction, according to the Ayala energy unit. AC Energy is providing the full construction capital for the project.

"Ayala has long had a highly established presence in the Philippines. But 2020 saw them solidify their position as an Asian presence rather than a local player only in the Philippines," shared a judge.

Ayala's ambitions reached into the Pacific. AC Energy, through a JV with Hong Kong-based UPC Renewables, made a strong bid to acquire ASX-listed Infigen Energy. While the Spanish utility Iberdrola ultimately acquired Infigen for A\$893 million and delisted the firm, AC Energy's JV in early 2021 reached financial close on a A\$500 million solar farm in New South Wales. The JV is also developing the 160MW Axedale solar PV plant.

Closer to home, Ayala continued to show strength in the primary and secondary market. AC Energy is developing 2 solar plants, with a combined capacity of up to 150MW, in central Luzon's Pampanga and Zambales provinces.

In the secondary market, AC Energy acquired shares in Ingrid Power to develop the 300MW diesel-fired project in Pililla Rizal. Project company Ingrid is developing the 2x 150MW diesel engine power plant to supply peaking and reserve power to the Luzon grid. A subsidiary of AC Energy partnered on the project with Axia Power Holdings Philippines, a subsidiary of Japan-based Marubeni.

"Ayala is making significant inroads in not only greenfield investments but also acquisitions," said a judge. "This balanced approach bodes well for their pan-Asia growth strategy."

Asia Pacific public sector award Government of Indonesia

Our team of Asia-based independent judges awarded the Asia Pacific public sector award to the government of Indonesia.

This new category gave the judges a lot to talk about. The initial vote was split between two choices. The judges discussed further and ... Government of Indonesia emerged as the winner. A key reason the judges selected the Indonesian government is based largely on the direction it is heading.

"I'm thinking Indonesia because of its efforts around asset recycling and the master fund," said a judge. "It's a good time to signal that the government is starting to work in the right direction."

Indonesia's sovereign wealth fund – Indonesia Investment Authority (INA) – has garnered some \$20 billion in commitments. The government established INA under the Job Creation Law, an omnibus law that revised more than 70 existing laws in Indonesia, enacted by President Widodo in November 2020.

Commitments to the SWF are from United Arab Emirates, Canadian pension fund CDPQ, Dutch pension fund APG, Macquarie, Japan Bank for International



Cooperation and United States International Development Finance Corporation.

The SWF will focus on strategic sectors, including infrastructure, roads, ports, tourism, agriculture, and other key sectors in Indonesia.

The government has also been examining ways to monetise its extensive network of toll road assets."

"Asset monetisation really comes on board big time," said a judge. "The government is putting their money where their mouth is including toll roads.

In May 2020, Indonesian state-owned Hutama Karya issued \$600 million notes, with proceeds to be used for the 2,765km Trans-Sumatra toll road in Sumatra. The proceeds will be used for the completion of 6 sections of the road: Binjai – Langsa, Bukit

Tinggi – Padang, Pekanbaru – Bukit Tinggi, Indralaya-Muara Enim, Lubuk Linggau-Bengkulu, and Sigli-Banda Aceh.

The government has also been supportive of the private sector's involvement in the roads sector.

Japanese strategic investors closed their \$35 million acquisition of a minority equity interest in an Indonesian toll road operator. Metro Pacific Tollways Corp sold 10.32% equity interest of Margautama Nusantara to a Japanese consortium comprising West Nippon Expressway, Japan Expressway International Co, and Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development.

"The signal is to encourage Indonesia to double down," added a judge. "It's walking the right path."

Asia Pacific ratings agency of the year Fitch Ratings

The award for Asia Pacific ratings agency of the year has been won by Fitch Ratings.

Issuers last year relied on Fitch's timely, in-depth credit views and updates about Covid-19. While the firm published more than 640 project finance-related research pieces, many focused on the pandemic, including the changes that could permanently alter the infrastructure landscape and Asia Pacific seaports stress tests.

"In terms of recovery ratings, Fitch is being precise in its infrastructure and project finance methodology, which is great," said a market insider.

Fitch covered 100% of first-time cross-border Asia Pacific transactions. It also provided national ratings to infrastructure and project finance issuers.

As the incorporation of ESG in project financing matures, Fitch's ESG coverage delved into all 325 infrastructure and project finance issuers in 2020.

Its Indian market coverage was also formidable.

"Of all three rating agencies, the user engagement of Fitch has been by far the best."

It rated all Indian renewable entities that issued in 2020, including a financing vehicle's 144A/Reg S \$325 million green notes due 2024 that is using the proceeds to subscribe to India rupee non-convertible debentures issued by a restricted group of ReNew Power, an influential developer in India's renewables market.

Fitch's rating of Star Energy Geothermal's \$1.11 billion green notes increased the transparency of the issuer's credit among bond investors. The coverage was particularly useful because of the unique project financing structure and relatively long tenors of the instruments for the

issuer's debut issuance in the global bond markets. That transaction won Asia Pacific Best Geothermal deal of the year.

Fitch also allowed market players and investors to have a more holistic view and make a more informed decision on the issuing group. It rated Barito Pacific, the issuer's parent, and another related renewable power project under the group Star Energy Geothermal Wayang Windu.

The ratings agency's coverage of Delhi International Airport's \$150 million tap issuance showed Fitch's capabilities across sectors. The operator has a 30-year concession on India's largest airport by passenger traffic.

"I have to say this, the amount of work Fitch has put into keeping investors informed on Covid-related topics, be it rating actions or changes in growth forecast, etc., has been really good," said a market participant. "Of all three rating agencies, the user engagement of Fitch has been by far the best."



Asia Pacific technical adviser of the year
Mott MacDonald

The award for Asia Pacific technical adviser of the year has been won by Mott MacDonald.

"Consistently strong performance over the years," said a judge. "And 2020 was no different with numerous projects with a specific focus on renewables and a wide regional coverage."

Another judge added: "The team had quite a few projects, quite big and different types of projects, mainly renewables."

Mott advised on Japan's first commercial scale offshore wind project – the 65MW Akita Port and 80MW Noshiro Port offshore wind farms. A consortium of Japanese companies, led by Marubeni, are the sponsors.

Mott supported the developer – Akita Offshore Wind Corporation – during the tendering and procurement phase for the offshore balance of plant contract. The adviser also conducted technical, commercial, environmental, and social due

diligence to achieve financial close.

The winner of the Asia Pacific Offshore Wind deal of the year, the project is the first of a series of "ports & harbour" offshore wind projects being developed with the support of the Japanese feed-in tariff for renewables.

"Akita set a precedent in many ways including specific risks in Japan such as seismic and tropical storm risks," shared a judge. "Given the forthcoming auctions and ambitious offshore wind capacity target the government has set of 30-45GW by 2040, this first precedent's role in standard setting is very meaningful."

Mott also advised on the multifaceted additional financing of a 150MW solar farm in Binh Thuan. An ADB trust fund and Dutch bank ING completed a non-recourse wrapped bond and \$30 million bank loan project financing for the Vietnamese asset.

Hong Phong 1, the project company, issued a privately placed project bond, in

"Akita set a precedent in many ways including specific risks in Japan such as seismic and tropical storm risks."

Vietnamese currency, divided into a 5-year tranche of D400 billion (\$17.3 million) and a D2.15 trillion, 15-year tranche.

The project bond is understood to be the first for a renewable energy asset in Vietnam. It is ADB trust fund Credit Guarantee and Investment Facility's first guarantee in Vietnamese currency and the longest tenor bond CGIF has ever wrapped.

"This category was very competitive," said a third judge, "but Mott had the strongest performance in 2020."



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IJGlobal Awards 2020



Africa winners

It is with great pleasure that we announce IJGlobal's winners for African awards for company activity and transactions closed over calendar year 2020.

Winners in the institutional category were voted on by senior figures from across the regional infrastructure and energy community – none allowed to vote in their own business areas – in what is widely regarded to be the most independently-judged awards in this sector.

Congratulations to all the winners!

Winners in the African companies category are:

- African financial adviser of the year – **Societe Generale**
- African legal adviser of the year – **White & Case**
- African DFI of the year – **InfraCo Africa**
- African MLA of the year – **Rand Merchant Bank**
- African corporate trust of the year – **Deutsche Bank Corporate Trust**
- African technical adviser of the year – **Lummus Consultants International**
- African sponsor of the year – **Fluence Corporation**

African legal adviser of the year
White & Case

White & Case enjoyed considerable support from the IJGlobal independent panel of judges who voted the international law firm African Legal Adviser of the Year for 2020.

The firm was judged purely on its submission against all legal advisers active across financial closes for infrastructure and energy transactions in the last calendar year.

One judge said it had a “really interesting selection of deals” adding that “getting any project finance done in Africa is hard, so having so many deals is impressive”.

Another said that “White & Case demonstrated a real depth of expertise and led in complex and challenging transactions” and one more saluted a “significant scale of projects” including “complex LNG projects which have been difficult to close from a legal perspective”.

Yet another judge said: “An excellent submission clearly setting out the key

transactions, their challenges, unique aspects and complexity of the funding structure. It is clear White & Case added significant value towards making these transactions a success. I particularly liked the Compagnie des Bauxites de Guinée MUOA expansion financing in respect of the pro-active contribution towards incentive structures built in to promote conservation efforts at the national park.”

A good number of the transactions that White & Case acted on receive awards in the coming pages.

Mukund Dhar, head of the White & Case Africa group, said: “To be named African legal adviser of the year is an outstanding achievement and a reflection of the depth of our team.

“In 2020, White & Case advised on more projects in Africa by value than any other law firm including two of Africa’s largest projects: Mozambique LNG and Nigeria

WHITE & CASE

.....
An excellent submission clearly setting out the key transactions, their challenges, unique aspects and complexity of the funding structure.
.....

LNG Train 7; ground breaking transportation projects: Cairo Monorail PPP and expansion of the multi-user rail corridor for the CBG Bauxite mine in the Republic of Guinea; and a highly impactful power project – the 390MW Atinkou CCGT in Côte d’Ivoire.

“Our team is continuing to advise on the largest and most innovative projects in Africa. We work on complex cross-border projects across Africa day-in, day-out which is why the market turns to White & Case to get deals done.”

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African Legal Adviser of the Year 2020
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African financial adviser of the year **Societe Generale**

As you will likely have noticed from perusing the pages of this (virtual) magazine, Societe Generale has had a good year with a hearty haul of peer-review *IJGlobal* Awards to recognise its achievements.

Among its haul of silverware (Perspex, but let's not be pedantic) the French bank has been voted Financial Adviser of the Year for Africa, winning against lively competition and an impressive shortlist.

One of the judges said of Societe Generale's 2020 performance in Africa: "SG stood out in terms of strength of transactions advised on, complexity and multiple stakeholders involved."

Another justified the selection of SG, adding that it played a key role on the "single largest FDI investment to date in Africa with a project financing larger than the GDP of Mozambique".

One of the key transactions that Societe Generale acted on as financial adviser (where it was also mandated lead arranger) was the \$250 million senior secured corporate facility in favour of Cairn Energy Plc.

This facility was arranged to enable Cairn to fund its ongoing share of capital expenditure obligations in respect to the Sangomar Field development until



completion of the sale to Woodside, the operator of the field.

The sale covers the participating interest in the Rufisque offshore, Sangomar offshore and Sangomar deep offshore production sharing contract which includes the Sangomar Field.

Work on the Sangomar field development – which contains both oil and gas – commenced in early 2020 and first oil production is targeted in 2023. And this deal forms part of a wider story around the company and SG's involvement.

Katan Hirachand, co-head of the London energy advisory and project finance team at

Societe Generale Corporate & Investment Bank, said: "The bank's continued commitment to Africa remains unequivocal as demonstrated through our leadership in closing several large-scale energy financings creating new benchmarks for the African continent and beyond.

"Using a combination of our industry knowledge, cultivating shared visions with key project stakeholders and sheer tenacity has allowed us to constantly push the envelope on the continent and ensure Africa gets continued access to both long-term and competitive funding to fuel economic growth."

African DFI of the year **InfraCo Africa**

IJGlobal's independent panel of judges voted overwhelmingly in favour of InfraCo Africa to win this year's award for development finance institution for its activity in 2020 across the African continent.

The judges were highly complimentary of InfraCo, crediting it for "true innovation" and the ultimate compliment for a DFI of "crowding in new investors", while also providing a "solution for local currency which is so important to get private money into emerging market infra financing".

One judge said: "InfraCo demonstrated strength in bringing in funding for difficult sectors/regions, demonstrating what is expected of a DFI." Another added that it was achieving "what DFIs should be doing – trying to bring social benefit across a range of sectors by mobilising private capital".

The overwhelming sense of the judging session was that InfraCo has had a significant impact on the African infrastructure and energy sector, addressing the financing gap and providing "an

InfraCo demonstrated strength in bringing in funding for difficult sectors/regions, demonstrating what is expected of a DFI.

innovative product that leverages the money available well".

InfraCo Africa is part of the Private Infrastructure Development Group (PIDG), managed as a private company and funded by governments in the UK (FCDO), the Netherlands (DGIS) and Switzerland (SECO).

Gilles Vaes, chief executive of InfraCo, says: "InfraCo Africa consciously works 'on-the-frontier' pioneering new solutions, investing in challenging markets and always looking for opportunities to recycle our experience and push forward new

ideas. It is hard work and can be a bumpy ride, but ultimately we believe that our work draws private sector financing into sectors, countries and projects that it wouldn't otherwise have considered. By working together we change lives, promoting economic development whilst also contributing to the fight against climate change."

He adds: "Covid-19 has made this year more challenging than most, but it has also shown us just how much more work there is to be done to scale access to safe, inclusive infrastructure in sub-Saharan Africa. So we will keep innovating. We're supporting the first power broker (Africa GreenCo) in Zambia, the expansion of electric vehicles (Ekorent) in Nairobi, piloting commercial-scale batteries in Chad and Malawi, unlocking local currency institutional investment in Nigeria and Kenya and we are continuing to push boundaries in the deployment of mini-grids."

African MLA of the year Rand Merchant Bank

The independent panel of judges reviewing African entries to *IJGlobal Awards 2020* were impressed by the performance of Rand Merchant Bank, awarding it MLA of the year for the region.

One judge singled RMB out for its involvement in BeitBridge PPP saying “the border post deal is unusual and innovative” and another adding the lender demonstrated “creativity that showed it deserved the award”.

Another judge said: “I particularly liked the quality of submission that set out key challenges for each project and how RMB dealt with them. The showcased projects were social infrastructure, which can be more complex to deliver in emerging markets on account of currency issues and ability to mobilise capital. In this respect, the BeitBridge Border Post Modernisation Project in Zimbabwe stood out.”

Yet another celebrated RMB’s “diversity of transactions” in a “particularly difficult region with successful results”.

RMB centred its submission on two key deals that closed in the judging period... and another it should definitely submit for the 2021 awards!

The key transactions were Beitbridge Border Post Modernisation PPP and Bokpoort CSP – each of them winners in their relevant regional categories that appear in the next section.

On both these transactions, RMB played a key role in bringing lenders to the table and

pushing to successful close deals that make a significant impact on the ground and are transformative to the regional economy. Beyond that, they prove once again that Africa is a continent where international companies can do business.

Dario Musso, co-head of RMB Infrastructure Sector Solutions, says: “This *IJGlobal* African MLA of the Year 2020 award and the deal awards for BeitBridge and Bokpoort further cement RMB’s position as the leading infrastructure project financier

in sub-Saharan Africa.”

Siyanda Mfletshelwa, senior transactor at RMB Infrastructure Sector Solutions, adds: “The BeitBridge project comes at a time when the region is in great need of hope. This project is expected to catalyze not only economic growth but also greater regional trade. RMB is proud to have led a diverse group of financing and investment institutions through financial advisory and lead arranging for a remarkable outcome for the region.”



African corporate trust of the year Deutsche Bank Corporate Trust

An editorial award has been made to Deutsche Bank for the role it played in corporate trust across the African infrastructure and energy market over the course of the 2020 calendar year.

Deutsche Bank’s corporate trust team supported 51 transactions valued at more than \$20 billion of project and infrastructure financing, 66 deals for close to \$83 billion of corporate debt issuances across the energy and infrastructure sectors and serviced clients and projects in 12 different countries across the Americas, EMEA and APAC.

The corporate trust team offers a full suite of services, from depositary bank, escrow agent, trustee, paying agent, to administrative agent, collateral agent and intercreditor agent.

In Europe and Africa, Deutsche Bank covers the full spectrum of assets from renewable energy through to traditional power, transport, oil and gas, telecoms, water and waste sectors – with an added focus on sustainable financing.

The key deals it worked on in Africa were Nigeria’s LNG Train 7 and activity with Phanes Energy Renewables Nkhotakota Limited in Malawi.

The Nigerian deal is well known to *IJGlobal* readers, but the Malawian transaction saw Deutsche Bank Trust and Agency Services act as administrative agent, account bank and collateral agent on a solar project designed to stop rolling blackouts across the country.

This project provides power to the most vulnerable populations through a source

that is affordable, reliable and diverse from traditional energy sources. Dubai-based solar developer Phanes Group secured \$67 million funding for a 46MW solar power park Nkhotakota and it closed in April 2020.

Jason Connery, head of trust and agency services (TAS) EMEA for Deutsche Bank, says: “We’re delighted to have been named corporate trust provider of the year in Africa. Trust and agency services administers a wide spectrum of infrastructure transactions. We proudly supported the first ECA-backed hybrid corporate financing for the development of a liquefied natural gas project in Africa. Supporting infrastructure projects is an important focus for TAS and we look forward to facilitating similar transactions in the region.”

African technical adviser of the year

Lummus Consultants International

The editorial award for technical adviser of the year for developments in the 2020 calendar year has been won by Lummus Consultants International.

Lummus Consultants International is a premier technical adviser active on deals around the globe, providing independent engineer reviews and technical due diligence for \$52.596 billion in deals in 2020. Lummus Consultants was the top ranked Technical Adviser in the 2020 *IJGlobal* League Tables worldwide.

Lummus Consultants totalled 14 deals in 2020 spanning the oil and gas, power, energy storage, and hydro sectors in North America, Middle East North Africa, Asia Pacific, and Sub-Saharan Africa for primary financings, refinancings, asset acquisitions, and additional facilities.

Lummus Consultants International has closed more than 700 transactions worth more than \$400 billion in the past 20 years.

It is an independent advisory outfit with a reputation for delivering superior guidance that combines deep commercial understanding with technical strength and project experience. It provides independent consulting and advisory services that span business, technical, strategic management and regulatory issues for the power, oil and gas, petrochemical, refining and government segments.

From offices in Houston, Boston, Denver, London, Dubai and Singapore, it supports clients in all aspects of project selection, development and execution, including feasibility analysis, bidding, contracting, financing, construction and operation as well as identifying organizational and

operational improvements.

Lummus president Susan Garven said: "Lummus Consultants is honoured to be named *IJGlobal* Technical Adviser of the Year for Africa and the Global Technical Adviser of the Year for 2020.

"Both are very prestigious awards, especially in a year with such huge challenges.

"To have major financial closings in the oil and gas and power sectors is a credit to both the lenders and sponsors. We are excited about continuing to participate in the successful financing of Africa's energy projects and the expansion of new green energy initiatives around the world.

"Providing useful, knowledgeable expertise to our clients has always been our number one goal, making this award particularly gratifying."

African sponsor of the year

Fluence Corporation

The shortlist for the *IJGlobal* Africa Sponsor of the Year Award 2020 was compiled by the IJ editorial team and presented to the regional judging team – all of them seasoned professionals who have been active working on deals on the ground.

They chose Fluence Corporation to win the award with judges being particularly impressed by the €165 million Lagune Aghien Water Treatment Plant – a freshwater reserve near Abidjan, Côte d'Ivoire.

The judging panel was "impressed by the social and green impactfulness [sic] of the water project", with one adding that "freshwater treatment projects are rightly a priority" while another one chipped in with: "that was a tough project to deliver... and it's not a fossil fuel project!"

Another judge tipped a hat to Fluence Corp for its "focus on topical areas" adding that "providing water treatment plants in such regions is something that should be supported and backed".

Meanwhile, one judge gave Fluence credit for being a "disruptive company making a real difference in the African context", with another adding "Lagune Aghien Water Treatment Plant is a great example of successfully delivering a pathfinder deal in a difficult financing environment, in an essential infrastructure sector."

Financial close on Lagune Aghien Water Treatment Plant was announced in January



(2020), but the conditions precedent had not been met at that time due to the pandemic. Finally, all CPs were met on 4 November 2020. The sole lender on the deal is Israel Discount Bank, with coverage from Israel's ASHRA and Italy's SACE.

The project is designed to treat surface water from Lagune Aghien to help supply the fresh water needs of the country's largest city, Abidjan. Lagune Aghien is Ivory Coast's largest freshwater reserve

near Abidjan and is dense with algae and other contaminants. Local construction and commissioning of the 150,000m³/day surface water treatment plant is anticipated to be completed in early 2023.

Fluence chair and chief executive officer Richard Irving said at the time of financial close: "Once commissioned, the project will provide sufficient capacity to meet the fresh water needs of more than one million people."

IJGlobal Awards 2020



MENA winners

Having drawn together a team of experienced industry players – all of whom have been working in the Middle East and North African market for many years – to judge the *IJGlobal* awards, they met earlier this year for our virtual Judgment Day.

They were hugely impressed by the quality of submissions and the results that are highlighted here and in the following pages are thanks to the effort they put in, identifying the key players and giving credit where credit is due.

We would like to extend our thanks to the judges and all who submitted.

Winners in the MENA companies category are:

- MENA MLA of the year – **BNP Paribas**
- MENA financial adviser of the year – **Cranmore Partners**
- MENA sponsor of the year – **Marubeni Corporation**
- MENA legal adviser of the year – **Norton Rose Fulbright**
- MENA model auditor – **Mazars**
- MENA DFI of the year – **European Investment Bank**
- MENA public sector award – **EWEC**
- MENA bond arranger – **Citi**
- MENA ratings agency – **Fitch Ratings**
- MENA technical adviser – **Lummus Consultants**

**MENA MLA of the year
BNP Paribas**

BNP Paribas enjoyed a successful year of activity across the MENA region working on some of the key transactions to reach financial close in the judging period, winning over the awards committee with an excellent submission.

It was a close-run thing, but BNP tipped the scales with one judge saying the lender played “strong leadership roles in various deals” and another admiring it for “early deal structuring capabilities, flexibility and creativity”.

The comments on Judgment Day for the MENA section of *IJGlobal Awards 2020* were all positive towards the French bank with one saying: “BNPP had major roles on all the leading deals in the market this year. In a tight competition the judges felt that BNPP deserved the top spot.”

BNPP had major roles on all the leading deals in the market this year.

While another gives a nod to the competition saying it was “neck-and-neck, but BNP had the edge for its diversity in client base”.

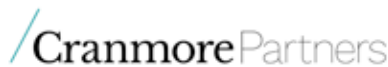
BNPP arranged a notable renewable energy transaction in Abu Dhabi, acting as sole lead bank, sole bookrunner and documentation bank for the second solar PV project in the Emirate, which was the world’s largest single-site solar PV project with a capacity of 2.1GW.

The bank also stands out for high underwritten amounts, including on Fujairah 3 in the UAE, a greenfield 2.4GW independent power project that will give a significant boost to the local power market; and for supporting key players in the region including Marubeni and Mubadala.

BNPP played a key role in arranging a major project, Galaxy, regarding the acquisition of a minority stake in ADNOC Gas Pipelines, which has usage rights over strategic gas assets owned by ADNOC. The assets will maintain domestic gas consumption and meet Abu Dhabi’s objectives to become gas self-sufficient and net exporter. On this transaction, the French bank acted as senior MLA, hedge provider and bookrunner.

Roland Kahalé, head of BNPP O&G project finance for EMEA, said: “It was a very active year for BNPP in MENA where we demonstrated our strong commitment to support both the regional champions and our global clients from Europe, APAC and the Americas in their partnerships and joint investments in the GCC.”

**MENA financial adviser of the year
Cranmore Partners**



Cranmore Partners was voted MENA winner of the *IJGlobal* Financial Adviser of the Year Award for 2020 at the regional virtual judging session earlier this year.

The independent panel of judges lauded Cranmore for “deep skill and quality services”, recognising a “growing number of deals won” and its “impressive stable of clients from a new comer perspective when compared to the Big 4 and international banks”.

Another judge said of Cranmore that it was an “up-and-coming adviser, very aggressively engaging in the MENA market”, adding that the firm “has advised on some very competitive deals”.

Meanwhile, another judge said: “2020 was a very tough year due to the pandemic, but Cranmore was a stand-out performer under the circumstances and managed to keep up a successful rate of financial closings.”

Yet another added: “Cranmore is growing in strength year-on-year and in 2020 demonstrated through their innovation and creativity – both in terms and deal structures – why they are rapidly becoming the financial adviser of choice for complex deals.”

Despite its youth, Cranmore made a strong impact in 2020, working on 19 mandates in MENA, bringing three landmark projects financial close, in all of which Cranmore was sole financial adviser to the project sponsors.

Yusuf Macun, founder and managing partner at Cranmore, said: “It is an honour for us at Cranmore Partners to receive the MENA Financial Adviser of the Year Award.

“This accolade consecrates our team’s relentless efforts to provide best-in-class independent financial advice to our clients, a commitment we made when creating Cranmore five years ago. We thank our clients for their continued trust on this journey.”

He added: “Notwithstanding the challenges, 2020 has been a strong year for Cranmore, with some landmark financial closings - including Fujairah 3, Enerjisa Refinancing, Scaling Solar Uzbekistan, enabling iconic infrastructure investments in MENA, and significant growth, with new colleagues joining us in Abu Dhabi, Delhi, Istanbul and Singapore.

“Looking forward to an exciting year ahead, this award strengthens our resolve in continuing to deliver solutions for further investments in sustainable infrastructure.”

**MENA legal adviser of the year
Norton Rose Fulbright**

Norton Rose Fulbright has won the Legal Adviser of the Year award for MENA based on a compelling submission that outlined a series of impressive deals to have been brought to financial close in the 2020 calendar year.

The independent panel of judges was impressed by NRF’s performance with one going as far as to say the international law firm had “strong performance and iconic deals”.

Another judge added: “Although competition was fierce, NRF advised on some of the highest profile and most complex transactions in the region and appeared to be the most impressive in terms of breadth and experience.”

NRF did indeed work on some landmark 2020 deals in the region having acted as international legal adviser to the senior lenders and equity lenders on the award-winning DEWA V in respect of the development and financing (both conventional and Islamic) related aspects of the 900MW PV fifth phase of the Mohammed bin Rashid Al Maktoum Solar Park. The Project will be co-owned by ACWA Power, Gulf Investment Corporation GSC and Dubai Energy and Water Authority.



The NRF team also acted as sponsor counsel to the consortium of EDFR and Jinko Power on the 2GW Al Dhafra Solar PV IPP in Abu Dhabi; and advised JBIC and a syndicate of international lenders on the \$957 million financing of Fujairah F3 IPP in the UAE. Both of these are also award winners.

Charles Whitney, head of energy for EMEA at NRF, says: “It is a privilege for us to be recognised with this prestigious award. Our team closed a number of high-profile and complex project financings in the region, working for top tier developers and lenders in the power and renewables sector.

“This award is recognition of the team’s hard work in implementing our strategy of being a go-to law firm for energy and infrastructure projects in the Middle East and North Africa. We look forward to continuing to support our clients through the impact of the energy transition on the Middle East energy market and positioning ourselves to be a contender for the award next year.”

MENA sponsor of the year
Marubeni Corporation

Marubeni Corporation fought off strong contenders to win the Sponsor of the Year category for the MENA region in the IJGlobal Awards 2020.

One judge raised a hat to its 2020 performance, saying: "Marubeni takes a more considered approach to winning deals. It achieves more diversity and has a stronger ability to play along the project value chain, from investor through to design and construction."

Another adds that the company has "made great strides during the last 12 months to make its mark on the market, and it has been very successful". This is supported by another who says: "Marubeni has lifted its game in 2020 and played a market-leading role in the MENA region, showing very deep experience and exceptional reach, teaming up with strong partners."

Marubeni's victory was centred on three

major transactions in the region to have reached financial close in the 2020 calendar year – Fujairah F3 IPP, Al Kharsaa PV IPP, and REPDO Round 2 Rabigh Solar PV IPP.

On Fujairah F3, Marubeni was the sole foreign shareholder and developer on the deal that reached financial close in June, having been responsible for all aspects of the transaction including financing and EPC.

Similarly, Marubeni was lead developer on Al Kharsaa which reached financial close in July having taken lead on all aspects of the transaction including financing and EPC.

Meanwhile, on the Rabigh deal Marubeni was lead developer in a consortium with Al Jomaih Energy and Water Company. The consortium submitted a proposal in a competitive tender for the REPDO Round 2 Category B projects, resulting in its shortlisting for the 300MW Rabigh project.

Marubeni made the bid possible by taking advantage of its experience and resources

Marubeni

Marubeni has made great strides during the last 12 months to make its mark on the market, and it has been very successful.

in the region's IPP business, to minimize the tariff within the regulations of the tender.

A robust financing scheme was created by procuring top-notch commitments from lenders, as well as a technical proposal utilising the latest flagship technology. Marubeni's knowledge of O&M of other PV plants in the region and strong connections within the Kingdom of Saudi Arabia helped build an ambitious, yet achievable, strategy in consideration of stringent local content restrictions of the tender.

Marubeni

Leading the way
in Developing a
Sustainable Future

As a leading global energy and infrastructure project developer, we are proud to have contributed to the needs of each customer and host country in every project we have developed. With our experience, expertise and innovative ideas, we look forward to delivering projects such as the landmark Noor Abu Dhabi Solar Power Project shown here to achieve a more sustainable future for the region and the world.



www.marubeni.com

MENA model auditor of the year **Mazars**

The *IJGlobal* Model Auditor of the Year 2020 goes to Mazars with one of the independent judging panel describing it as “the stand-out contender this year based on experience, deals supported and visibility in the region”.

At the virtual judging session staged earlier this year, another of the judging panel said Mazars was “most frequently seen in market” and gave it kudos for having “submitted the most complicated of the transactions listed – Galaxy”.

Mazars submitted the most complicated of the transactions listed.

Meanwhile, another judge said of Mazars: “It has been present on most transactions we have been on, and the two transactions submitted were more complex than most. Mazars has a strong market position.”

In the MENA region Mazars acted on five transactions to make it to financial close in the 2020 calendar year, deals with capital value of around \$6 billion. To achieve this, it leveraged more than 50 dedicated model audit professionals based in London, New York, Toronto, Sydney and Delhi.

One of its key deals in the region was the refinance of the ADNOC gas pipeline assets portfolio on which Mazars provided model audit services to the equity holder – Galaxy Pipeline Assets BidCo.

This project brought a number of Europe’s leading lenders in as banking partners, while at the same time expanding Mazars’ relationship with some of the existing partners through this refinance.

Another landmark transaction Mazars worked on was the Umm Al-Hayman Wastewater Treatment Plant for which it provided model audit services to the equity provider WTE Wassertechnik.

This project is one of the world’s largest wastewater projects and is being built to dispose of the wastewater from southern Kuwait and to supply agriculture and industry with process water.

WTE will deliver a complete package from wastewater collection, treatment and distribution to energy generation, composting and plant operation – as a one-stop solution.

Jerome Brice, global head of model audit at Mazars, said: “We are proud to have played our part in assuring the robustness of award-winning projects across the globe. We are particularly active in the MENA region, enabling economic transition in the region by supporting the development of amazing new energy and infrastructure assets.”

MENA DFI of the year **European Investment Bank**

It came as something of a surprise at the judging session to witness a revolt that saw the panel shun the organisations one would normally expect to see win an award for DFI involvement in the MENA region, favouring instead an institution they believe had greatest impact.

The majority of judges in the MENA panel threw their weight behind the European Investment Bank, celebrating “a truly impressive set of deals this year both in terms of geography and sector” adding it was “so good to see EIB’s support right across the region”.

Another judge said they were “impressed with the breadth of support to the development of projects across the region” with one celebrating “strong cross-sector catalyst support for investment into sustainable infrastructure”.

The submission highlighted the role that the EIB played on an impressive slew of deals across the Middle East and North Africa.

In Morocco, the EIB played a significant role in the financing of Noor Middel I – lending \$110 million (the second largest ticket on the transaction) for the development of the 800MW hybrid CSP/PV solar plants.

Meanwhile, its activity in Egypt was more strategic (admissible for awards like this one) where in February 2020 the EIB signed three agreements totalling €122.7 million – two grants and one loan – for the upgrade of three water and rail assets in the country.

For Jordan, the EIB in early December lent €218.5 million to the Ministry of Water and Irrigation to support its €350 million water sector overhaul.

On being informed of winning the *IJGlobal* award, EIB president Werner Hoyer said: “The European Investment Bank is committed to accelerating high-impact investment that harnesses best practice to deliver sustainable development and improve lives and opportunities for millions of people.

“Being awarded *IJGlobal* MENA DFI of the Year reflects the shared focus of project promoters, co-investors and the EIB colleagues covering the region.

“This award – based on feedback from our infrastructure financing peers – recognises how this hard work is unlocking transformational investment in new hospitals and schools, improving access to clean water and sustainable transport and providing Covid-19 vaccines through COVAX.”

MENA public sector award of the year – **EWEC**

The winner of the *IJGlobal* Public Sector Award for the Middle East and North Africa is Abu Dhabi-based Emirates Water and Electricity Company (EWEC).

In the interest of full transparency, the *IJGlobal* editorial team compiled most – not all – of the MENA public sector award submissions to increase competitive tension in this sector... and this was one of IJ’s submissions.

We made this entirely clear to the judges and they were swayed by the kind words we wrote about the organisation combined with their own local market knowledge, with one judge expressing they were “impressed with EWEC’s approach to encouraging innovative financing structures for their projects”.

Another judge said: “EWEC demonstrated exceptional market engagement in 2020, seeking to diversify the funding options for infrastructure and energy projects by developing a financing structure that encourages early refinancing into the bond market.”

The judge added EWEC was: “Easily the stand-out performer in the public sector for financial innovation and transparency.”

Yet another judge said: “EWEC continued to innovate, for example by taking refinancing risk and being open to hard mini-perms, while also now venturing into new sectors such as waste-to-energy. In addition, it had two amazing transactions close in 2020 – F3 and Al Dhafra.”

EWEC drives the planning and forecasting, purchase and supply of water and electricity in the Emirate of Abu Dhabi and beyond and is highly regarded for its success.

It is charged with leading change in the energy sector with a focus on sustainability and renewable technologies. EWEC also performs its role as the sole procurer of water and electricity to drive the short- and long-term balancing of supply and demand.

EWEC has a mandate to partner with world-class developers to ensure sustainability through long-term water and electricity purchase agreements, and signs bulk supply tariff sales agreements with distribution companies.

The high point of 2020 was achieved when Marubeni closed on the \$1.14 billion, 2.4GW Fujairah 3 CCGT IPP project in Qidfa, located in the Emirate of Fujairah. The project financing is backed by a \$941 million 7-year soft mini-perm deal.

MENA bond arranger of the year **Citi**

The decision over which institution was to win the MENA Bond Arranger of the Year award saw a straight shoot-out between two organisations that worked on the same deal – Galaxy.

This made the decision all the harder for the independent panel of judges, but they were finally swayed by Citi given that its “bond franchise has always been very strong” and based on its “involvement in not only the original bond offering, but also the subsequent refinancing, which was impressive”.

One judge was even-handed in the comments (though voted for Citi), saying: “Both banks did an outstanding job on the same deal, but Citi had completed more key roles in the transaction listed.” Meanwhile another saluted the “comprehensive bond market coverage role played by Citi”.

The bond arrangers on Galaxy successfully priced a \$4 billion multi-tranche 144A/RegS bond offering on behalf of Galaxy Pipeline Assets Bidco Limited on 27 October 2020. Citi acted as joint global coordinator, joint bookrunner, joint refinancing adviser and fiscal and paying agent on the offering.

On 10 February 2021 (outside the judging period), Citi followed on to the inaugural \$4 billion issuance and acted as joint global coordinator, joint bookrunner and fiscal and paying agent on the \$3.92 billion multi-tranche 144A/RegS senior secured offering. Proceeds were used to refi the remaining amount outstanding under the initial acquisition loan.

One of the primary highlights of the bond refinancing were that it was the largest infrastructure issuance globally – equal to \$4 billion inaugural issuance by Mexico City Airport Trust in 2017 (also led by Citi) – and the largest by a private-sector issuer.

On a regional level, Galaxy was the largest private sector issuance from the Gulf Cooperation Council (GCC), the lowest ever yield-to-maturities achieved by a MENA energy issuer, as well as being the biggest debut transaction from EMEA in 2020.

Further, Citi identifies Galaxy in its submission as being the largest US Dollar denominated, non-mortgaged backed, amortizing corporate bond. Together with the initial issuance (total of \$8 billion), Citi believes this is the largest combined issuance ever done by a single asset infrastructure issuer globally in a period of 4 months.

MENA ratings agency of the year **Fitch Ratings**

The editorial award for ratings agencies in the Middle East and North Africa was won by Fitch Ratings which had an exemplary 2020, playing a critical role in the region over the course of the calendar year.

In its submission for the award, Fitch points to an “unprecedented period of uncertainty” across the MENA region during the judging period.

Fitch points out in the submission: “There was a greater need than ever for clarity and insight on the impact of the crisis on the world’s credit markets. Credit rating agencies have a key role to play by providing timely, insightful and transparent commentary on the credit implications of the coronavirus crisis on debt issuers. This supports efficient capital markets by helping market participants make informed decisions.”

And this spike in activity resulted in Fitch enhancing its reputation as a thought leader on the MENA infrastructure and project finance sector, publishing more than 48 special reports and other non-rating related commentaries.

Fitch increased its coverage of the infrastructure sector owing to its willingness and ability to evaluate increasingly complex transactions working with a broadening range of issuers across the world. In MENA, Fitch rated 104 issuers/transactions, adding 23 ratings to its portfolio.

Cherian George, global head of infrastructure and project finance at Fitch Ratings, said: “The infrastructure and project finance space continues to evolve with new structures being applied to traditional sectors, and new sectors and markets constantly emerging. The Middle East and North Africa market is no different.

“Credit principles remain the same but unique applications and new circumstances demand evolving and critical thinking.”

He added: “The MENA market has unusual legal and cultural features that affects how transactions are structured, including government ownership and influence on strategic decisions.

“This is where Fitch Ratings excels, as we remain intellectually open to breaking down the risks and mitigants in new structures. This is by no means easy as we work with brilliant minds constantly challenging us with new ideas but we are up to the task.

“We are pleased to receive the *IJGlobal* award in recognition of our work in the region.”

MENA technical adviser of the year – **Lummus Consultants**

The editorial award for Middle East and North Africa technical adviser of the year for 2020 has been awarded to Lummus Consultants.

That adviser wins the coveted award based primarily on the role that it played on two key transactions in the MENA region – Fujairah 3 CCGT in the United Arab Emirates and Leviathan Natural Gas Field Bond Facility in Israel.

Fujairah 3 is a 2.4GW combined cycle gas turbine power project and deploys Mitsubishi JAC-class turbines which involved the arranging of \$900 million of term loans.

The plant is being delivered through a DBFOM structure underpinned by a PPA with the Abu Dhabi procurer – Emirates Water and Electricity Company (EWEC).

Lummus Consultants provided the critical technical assessment component of the financing through the evaluation of the industry leading, high efficiency JAC-class gas turbine technology.

Meanwhile on the Israeli transaction, Delek Group announced a \$2.25 billion bond offering for Delek Overriding Royalty Leviathan Ltd (an SPV) for the Leviathan Gas Field operations located offshore Israel. The notes are secured by the overriding royalty interests in the Leviathan gas field.

Lummus Consultants was the independent engineer for this deal, building on reviews for the initial and follow-on financings for several project phases, providing technical risk assessments focusing on the key risk areas of design, schedule, construction logistics, regulatory issues, capital cost, institutional development, operating performance, and interfaces between jacket and module fabrication, primary installation, and subsea installation.

Lummus president Susan Garven said: “Lummus Consultants is honoured to be named technical adviser of the year for MENA and the global technical adviser of the year for 2020. Both are very prestigious awards, especially in a year with such huge challenges.

“To have major financial closings in the power, water and oil and gas sectors is a credit to both the lenders and sponsors.

“We are excited about continuing to participate in the successful financing of energy storage projects and the expansion of new green energy initiatives in MENA and around the world. Providing useful, knowledgeable expertise to our clients has always been our number one goal, making this award particularly gratifying.”

IJGlobal 
Awards
2020 

Winning deals

IJGlobal Awards 2020



Europe winners

Winners in the Europe transaction category are:

- Editor's Choice Europe – **Wavemaster Horizon**
- European offshore wind – **Dogger Bank Wind Farm A and B**
- European digital infrastructure (fibre) – **G.Network fundraising**
- European digital infrastructure refi for transport comms – **Synerail – GSM-R**
- European social infra (health) – **Ankara Etlik Integrated Health**
- European social infrastructure education – **Espoo Schools**
- European Transport Mass Transit – **XMU**
- European Transport – **A465 PPP**
- European Telecoms Towers – **Phoenix Tower**
- European telecoms – **Project Astérix**
- European Hydro Refinancing – **HS Orka**
- European waste-to-energy portfolio refinancing – **Biogen**
- European energy storage refinancing – **Enerjisa Enerji Üretim**
- European solar refinancing CSP – **Project Helios**
- European digital infrastructure refinancing smart meter – **Calisen Refinancing**
- European digital infrastructure refinancing fibre – **Open Fiber**
- European solar refinancing – **Renovalia – SIX**
- European Port Refinancing – **Antwerp Gateway**
- European renewables portfolio refinancing – **Iberwind Portuguese wind farm**
- European Transport Motorway Refinancing – **A88 Refinancing**
- European social infrastructure refinancing district heating – **Coriance**
- European offshore wind refinancing – **London Array**
- European Waste-to-Energy – **Protos**
- European Solar – **Kaposvár Solar PV Project**
- European onshore wind – **Zeewolde Wind Farm**
- European oil and gas – **Amur Gas Processing Plant**
- European Export Finance – **Northvolt**
- European Mining – **Project Taishet**
- European Digital Infrastructure FttH – **THD Loire-Atlantique**
- European battery storage – **Northvolt**

Editor's Choice Europe – Wavemaster Horizon

Editorial director **Angus Leslie Melville** singles out a peach of a deal – Wavemaster Horizon – for the inaugural winner of the *IJGlobal* Editor's Choice Award for Europe

Wavemaster Horizon is a deal that brings to mind Dublin Convention Centre PPP of 2007 vintage. Now, those of you who know Wavemaster are likely wondering how on earth a rather drab Irish deal (that got into a spot of bother a few years back, losing quite a few folk quite a lot of money) is in any way similar to a shipping finance deal.

Well, it's not so much the convention centre itself but the fact that it won the *IJGlobal* European Infrastructure Award for 2007 while I furiously championed a far more interesting deal that had all the hallmarks of a winner – the UK MoD Future Provision of Marine Services (FPMS) PFI, which sources tell me is performing nicely to this day.

When announcing the European shortlist from the podium at London's Natural History Museum in March 2008 (fortunately people paid for tables before reality landed with a crash) a cheer went up for FPMS. Agreeing with the sentiment, I had then to announce the damp squib that was the convention centre.

FPMS was a particularly interesting transaction that involved a fleet of some 110 vessels, procurement of 31 new vessels, and marine support at major UK naval bases in Portsmouth, Devonport and The Clyde. The key part of the deal was that the lenders' risk rested on the residual value of the assets at the end of the contract.

And so to Wavemaster Horizon, this is a ship finance deal that's been on our radar for some time since discussing it over a pint with an old chum at a time when that was a far simpler affair. Now an infra purist might pet lip at this deal winning such accolade. I agree it dwells in the realms of core plus... but it's terribly interesting and no mean feat to have brought to financial close.

Bibby Marine – via its subsidiary Wavemaster Horizon Ltd (WM2Ltd) – entered into a €40 million (\$48m) shipbuilding contract with BV Sheepswerf Damen Gorinchem for a service operations vessel (SOV). The vessel was built at the Damen Galati shipyard in Romania and was delivered in autumn 2019.

Horizon is a new class of purpose-built SOV with walk-to-work (W2W) capability developed by Damen in consultation with the offshore renewable energy industry and designed to meet the increasing demand for vessels capable of operating in ever further off-shore locations.

Bibby entered into a 10 plus 5-year charter party with Siemens Gamesa Renewable Energy (SGRE). It will use the vessel to meet service obligations on the Hohe See and Albatros offshore wind farms some 145km and 150km from the German coastline.



"We love to mix up and diversify our portfolios by taking on innovative investments such as Wavemaster."

Horizon is a new class of purpose-built SOV with walk-to-work (W2W) capability



Chris Hayes



"We are delighted with this award which reflects the hard work and innovation that went into the Horizon deal."

Hohe See and Albatros are co-owned by majority shareholder Energie Baden-Württemberg (EnBW) with 50.1%, alongside Enbridge with 25.4% and Canada Pension Plan Investment Board on 24.5%. The wind farms operate with 77x SWT-7.0 154 turbines supplied by Siemens Gamesa, providing electricity to some 710,000 households. WM2 is the only vessel servicing these assets.

The vessel was originally financed under a 60/40 gearing structure with debt arranged by ABN Amro. Chris Hayes, Peter Rowe and Rees Sutton of Centrus Asset Management (CAM) refinanced the vessel via an innovative 100%, 10-year debt finance structure.

The refinancing was achieved via a sale and leaseback whereby a CAM-owned SPC – Centrus Marine One (CM1) – raised fixed-rate finance to acquire the vessel from Bibby comprising:

- 80% senior debt – 10-year, fixed rate loan from SMBC Leasing
- 20% junior debt – 10-year structured bond from funds managed by Edmond de Rothschild Asset Management

This was essentially stretch infrastructure financed using hybrid project/asset finance techniques, and the transaction stands out due to its unusual capital structure which employs a combination of bank and bond finance (with embedded derivatives courtesy of Peter Rowe) to provide 100% debt finance secured against the vessel and charter party revenues.

The structure was conceived and structured by Centrus' Hayes, Rowe and Sutton at CAM with legal support from Greenberg Traurig's Graeme McLellan and Richard Hughes.

The Bibby Team comprised Jonathan Lewis (ex-FD now chief executive of Bibby Group); Alexei Calendar, Bibby Group; and Stephen Bolton (MD) and Sue Worden (FD) from Bibby Marine who were supported by Norton Rose Fulbright's Andrew Williams and Richard Howley.

The SMBC Team comprised Nori Kawachi, Jason Frank and Marina Bride-Soares with legal support from Andrew Baird and Charlotte Knight from the Watson Farley & Williams Dubai office.

Meanwhile, the Edmond de Rothschild team was led by Jean-Francois Dusch with central roles played by Gurjit Orjela and Robbie McColl with legal support from Richard Smith at WFW in London.

A word from those who do

At IJGlobal we are only too happy to raise a glass to a deal of such significance, hopefully cleansing the palate from the memory of a certain Irish convention centre.

Centrus managing director Chris Hayes said: "Peter and I are delighted with this award which reflects the hard work and innovation that went into the Horizon deal and we'd like to thank the team at IJGlobal for the recognition.

"From the outset, old shipping and infrastructure lags told us that 100% debt financing 'for a ship' wasn't possible, but Horizon isn't any old ship and I realised this when we started to receive fan mail from German ship spotters! We try to reply to them all.

"Around us, we see that the UK and northern Europe is going through a period of energy transformation and offshore wind is playing a key role in this process. Deep offshore wind turbines do not maintain themselves, however. This is done by brave men and women who leave their families for weeks at a time to crew vessels like Horizon. To have played some part in that process has been an honour."

Chris continues: "I don't want to say too much about the capital structure, but this was probably one of the most complex deals we have worked on and executing a transaction of this complexity without being allowed to meet anyone involved presented its own set of challenges, but these were eventually overcome at 3am on 23 December when the documents were signed."

Then, clearly wiping a tear from his eye, Chris seemed to think he was at the Oscars as he went on to give credit to everyone he had met virtually in the last year.

He says: "As with all deals, this was a team effort and special mention goes to Rees Sutton – for all his involvement in the deal until he very sensibly went on paternity leave – Jonathan Lewis, Alexei Callender and Stephen Bolton from Bibby; Galya Petkova

Graeme McLellan



"We are very pleased to have advised the Centrus team on this novel and challenging financing."

and Dorota Chmielewska from Siemens Gamesa Renewable Energy; Nori Kawachi, Jason Frank and Lawrence Butcher at SMBC Leasing; Gurjit Orjela, Robbie McColl, Lizzie Lutley and Jean-Francois Dusch from Edmond de Rothschild Asset Management; and our lawyers Graeme McLellan and Richard Hughes from Greenberg Traurig; Andrew Baird and Charlotte Knight from WFW Dubai; Andy Williams from Norton Rose Fulbright; and Richard Smith and the team at WFW London.

Fortunately for JF Dusch, he did not have to follow honours roll call as the audience would have been decidedly restless after enduring the last paragraph which I refuse to believe Chris could have delivered in one breath.

JF embraced brevity saying: "As an infra debt asset manager with up to three decades of experience in the field, we love to mix up and diversify our portfolios by taking on innovative investments such as Wavemaster. It is one of these transactions we enjoyed working on and feel very attached to."

Greenberg Traurig's Graeme McLellan added: "We are very pleased to have advised the Centrus team on this novel and challenging financing. The deal had its moments and required creative legal solutions to a number of issues – we were able to draw on our experience of complex cross-border financings in a range of sectors to devise bankable proposals. It is particularly pleasing that the innovation, creativity and hard work involved are being recognised with this award and we'd like to add our thanks to the team at IJGlobal." ■

European offshore wind

Dogger Bank Wind Farm A and B

The Dogger Bank Wind Farm A and B has won the award for Europe Renewables Offshore Wind deal of the year.

Project sponsors SSE Renewables and Equinor in November (2020) reached FC on the first two phases of what is to become the world's largest offshore wind farm, more than 130km off the north east coast of England.

Despite economic uncertainty brought about by the coronavirus pandemic, the wind farm development attracted strong interest from lenders and secured competitive terms at financial close.

The £7.6 billion (\$10.7bn) project stands out for being – in aggregate – the largest offshore wind project financing to date globally.

Total senior debt facilities across the two phases came in at £4.8 billion, with 29 experienced commercial banks lending on the deal alongside 3 export credit agencies.

Ancillary facilities on the project reached some £700 million.

Following FC, the project developers then sold off a 20% equity stake each in the two phases to Italian energy giant Eni for £405 million.

The project is due to be delivered in 3x 1.2GW phases, which will reach 3.6GW when complete.

For ease, Dogger Bank A and B are being constructed simultaneously while making use of common technology and contractors. The two phases are also being financed concurrently.

The wind farm will also be the first to feature GE Renewable Energy's 13MW GE Haliade-X turbines – at the time of close, the largest commercially available turbines.

When fully complete in 2026, each phase of the wind farm will be capable of producing 6TWh of renewable electricity, totalling 18TWh annually – enough to

supply 5% of the UK's demand and equivalent to powering 6 million UK homes each year.

Investment in the first 2 phases of the project has seen the creation of 320 new skilled jobs for the north east of England, with more expected as construction ramps up.

First power on Dogger Bank A is expected in the summer of 2023 and in 2024 for Dogger Bank B.

DOGGER BANK WIND FARM

Advisers:

- BNP Paribas
- Linklaters
- Norton Rose Fulbright
- K2 Management Baringa
- Baringa
- Benatar & Co
- Operis

It takes a world-class team to deliver a world-class deal



At GBP 5.5 billion and backed by 29 banks and three export credit agencies, Financial Close for Dogger Bank A and B is the world's largest offshore wind project financing deal so far. It's a world-class deal that's helping build the world's largest offshore wind farm to power 6 million UK homes each year.

doggerbank.com
 @doggerbankwind

DOGGER BANK WIND FARM



European digital infrastructure (fibre)

G.Network fundraising

The award for European Digital Infrastructure in the fibre category has gone to London-focused fibre company G.Network for its successful fundraising of £1 billion to support its rollout of full fibre broadband in the capital over the next 5 years.

Cube Infrastructure Managers-backed G.Network is in the process of rolling out fibre broadband to 1.4 million premises in underserved areas in 13 London boroughs, as many people continue to work from home in response to Covid-19 and require improved connectivity.

The fibre provider announced its plans for an equity raise last summer (2020), seeking to boost its funding to carry out the rollout through the on-boarding of new investors.

Financial close on what came in at a £1 billion fundraising was reached in December (2020) when Universities Superannuation Scheme (USS) came on board with a £295 million equity investment in G.Network over 6 years.

The deal secured USS – the UK's largest private pension scheme by way of assets – as a joint controlling shareholder of G.Network, alongside Cube Infrastructure Managers which acquired a majority shareholding in the broadband provider in 2018.



A debt facility was also secured from four banks of up to £745 million, paving the way for G.Network to proceed with working on 4,500km of London streets to install new full fibre broadband infrastructure.

The rollout is expected to create more than 1,250 new jobs, while G.Network is working with 8 local authorities to install fibre broadband with plans to cover a further five local areas. It is aiming to connect at least 80% of premises in each.

The £1 billion raise makes the deal one of the largest among alternative network providers since Cityfibre announced its £2.5 billion FTTP rollout plan in 2018.

The Mayor of London, Sadiq Khan, said of the deal last year: "At a time when so

many are reliant on good connectivity, we're encouraging more investment in full fibre by working with London's 32 boroughs and TfL to provide better access across the capital."

Advisers

- DC Advisory
- Rothschild & Co
- DLA Piper
- Linklaters
- Clifford Chance
- Solon Management Consultancy
- Hardiman Telecommunication
- BDO

European digital infrastructure refi for transport comms

Synerail – GSM-R

The award for European digital infrastructure refinancing in transport communications division has been won by Synerail for the GSM-R transaction in France.

Synerail which holds the GSM-R contract – a PPP between the company and France's national state-owned railway Société Nationale des Chemins de Fer Français (SNCF) – last May refinanced its senior debt raising €54 million from three commercial banks.

The financing was arranged by Crédit Agricole, SMBC Europe and Intesa San Paolo across two tranches both with a tenor of four years.

GSM-R – the Global System for Mobile Communications, Railway – is a global mobile telecoms system dedicated to the railways that is compatible with European inter-operability standards.

The project replaced the RST analogue telecoms network to ensure uniformity in the exchange of information within the framework of operational rail networks.

GSM-R technology has been installed across more than 12,000km of rail network in France replacing 35 separate telecoms systems to create a single network.

Synerail along with SNCF is working towards modernising the France's railway network and the successful refinancing of its senior debt is seen as an endorsement of the PPP model of which the GSM-R was the first rail PPP in France.

This greenfield project was awarded in 2010 and has a 15-year concession ending in 2025. At the end of the concession, the French government will take over management of the network but the decision on future management remains to be made.

A PPP model was chosen for this project as the government sought to mobilise capital quickly by utilising private sector support for major strategic investments in the country.

The refinancing last year allows Synerail to optimise its financing plan and cash

management over the remaining term of the partnership contract.

This is a pathfinder project and its successful completion could make it the template for future PPP rail projects in France.

Synerail is majority owned by Vinci Concessions (70%) with a minority share held by France's second largest mobile service operator SFR which has been rebranded Xp Fiber.

Advisers:

- Eight Advisory
- White & Case
- Allen & Overy
- Clifford Chance
- De Pardieu Brocas Maffei

European social infra (health)
Ankara Etlik Integrated Health

This transaction was a serious contender for the European Editor's Choice Award, pipped only by the novelty of a shipping finance transaction... which seems unfair given the effort that went in to getting this Turkish deal over the line.

EY played a hugely significant role as SPV adviser on Ankara Etlik Integrated Health and – above any other party involved in the deal – it warrants being singled out for having revived a deal that was destroying the reputation of PPP in Turkey and shepherding it to financial close.

This project was submitted in the refinancing category and identified in the submission as a restructure... but warrants recognition as a greenfield deal in its own right, given the effort that went in to closing it.

Ankara Etlik is one of the largest PPP hospital projects in Turkey, with a project size of €1.3 billion and a campus that will comprise 11 different buildings with total

capacity of 3,566 beds. It is located in Ankara and replaces six existing hospitals.

The project sponsors – Türkerler and Astaldi – in September successfully closed the financial restructuring of €883 million project finance loans.

The project faced significant operational and financial challenges leading – understandably – to broken trust among various stakeholders and the lenders.

This ultimately resulted in a draw-stop of the existing €883 million loan facilities provided by global financial institutions, including EBRD, IFC, Black Sea Trade and Development Bank, Credit Agricole, Deutsche Bank and UniCredit and Turkish banks including Isbank, Akbank and TSKB among others.

Following a significant restructuring process the deal with a large number of stakeholders was successfully closed, making it the first restructuring in the Turkish Healthcare PPP space.

Orcun Makal, head of capital and debt advisory at EY, says: "Etlik is one of the most remarkable restructuring infrastructure projects ever in our market, appreciated not only by the client and lenders but also by government. Beyond that, successful close helped the Turkish economy in many ways."

Advisers:

- Yapi Kredit
- Citigroup
- EY
- KPMG
- Herguner Bilgen Ozeke
- Fidan & Fidan
- Clifford Chance
- Freshfields Bruckhaus Deringer
- OGB Attorney Partnership
- Mott MacDonald

IJGlobal European Social Infrastructure Healthcare PPP Deal of the Year Award Winners

EY's Turnaround & Restructuring Strategy team is pleased to accept the IJGlobal European Social Infrastructure Healthcare PPP Deal of the Year Award for the financial restructuring of the Ankara Etlik Integrated Health Campus project in Turkey. Because helping people live healthier lives means helping to heal the world.

For more information, please contact:



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European social infrastructure education **Espoo Schools**



It is nigh on impossible to ignore a market first when it comes to selecting winners for awards, and so it was for the Espoo Schools PPP in Finland which made it to financial close in June.

This is a really interesting deal with Meridiam taking the lead role (80%) working alongside local construction company YIT (through the SPV Kumppanuuskoulut Oy) for the DBFM of five schools and three day care centres that will transform education facilities for more than 4,000 pupils in Espoo, Finland's second largest city.

This project is part of Espoo's social infrastructure investment programme – Schools in Shape – and will contribute around 15% of the identified needs to guarantee healthy and functional premises for schools and day care centres in the city.

As the nation's first social infrastructure PPP it involved an innovative financing structure that forced a re-draft of Finland's tax legislation and now potentially serves as a pathfinder for a pipeline of similar deals.

The city of Espoo was seeking a new model for it to deliver smaller, more localised projects and – after considering the "lifecycle model" – it identified PPP as the best option. Historically, Finnish tax



law only allowed for transport PPP projects – rail and road – and to benefit from tax exemption clauses.

The campaign to change tax laws to allow wider use of the PPP model started in the autumn of 2016 with the support of Espoo alongside the cities of Helsinki, Oulu, Turku, Tampere and Oulu, and was backed by the Association of Finnish Municipalities, real estate body Rakli and construction association RT.

This eventually led to a change in tax law that took effect in early 2018, allowing the PPP model to be applied to a wider range of sectors.

Espoo Schools is the first project to be delivered at the municipal level and has

the full support of residents, particularly because they would have met the cost of the upgrades through municipal taxes under the previous system.

Advisers:

- Capex Advisers
- PwC
- Bryan Cave Leighton Paisner
- Hannes Snellman
- Merilampi
- Roschier
- Ramboll
- Aecom
- Operis
- Marsh

European transport mass transit **XMU**

For the European mass transit award in the transport, *IJGlobal* has selected an interesting project – led by Allianz Global Investors – to finance 55 battery-electric-powered trains to be operated in the state of Schleswig-Holstein, northern Germany.

These trains can operate on non-electrified and on electrified routes and have a range of 80km at a driving speed of up to 160km/h while on pure battery mode. The trains can operate on 80% of non-electrified routes in Germany and can be charged while driving, at train stations and with the energy generated during braking.

It gets a green thumbs up as these trains will replace 46 diesel-powered units transforming Schleswig-Holstein's current network that is currently 70% reliant on diesel-powered trains which compares poorly to the German average of 43%.

The trains – with higher energy-efficiency and an innovative battery drive concept – also play a significant role in both the state's and Germany's long-term goal of net zero emissions.



For passengers, they will enjoy more comfortable trains paired with an increased regularity of services providing an essential service to travellers in the region. The goal also is to incentivise travellers and commuters to use public transport over individual car journeys and therefore contribute to a significant reduction in CO2 emissions.

The XMU transaction finances a Lessor SPV to purchase the trains throughout a 4-year construction period, with the trains then leased to several train operating companies. The state of Schleswig-Holstein will pay the train operating companies

for the services provided, thereafter the train operating companies will make lease payments to the Lessor SPV.

To support the procurement of innovative battery-powered trains and encourage the shift from diesel to much cleaner electric power, the Schleswig-Holstein is providing a debt service guarantee from commencement of construction up until the end of the planned operations period.

The total debt raised for the XMU transaction amounts to between €150 million and €200 million and demonstrates Allianz Global Investors' structuring capability by packaging the full 32-year financing package into one simple and stable fixed-rate instrument. AllianzGI set constant monthly annuity repayments during the full 28-year operations phase.

Advisers:

- Ashurst
- K&L Gates
- Mazars

European transport
A465 PPP

The A465 PPP – Heads of the Valleys Road Project – sees Meridiam take the limelight once again for social infrastructure in Europe for a pathfinder deal that made it to financial close last October in Wales.

It's a long time since the UK boasted a pipeline of PPP transactions so any deal of significance making it over the line in the country warrants consideration for an award, but the pathfinder nature of this Welsh deal makes it a dead cert.

When choosing awards, it stresses the IJGlobal editorial team to choose an obvious winner, scanning the other submissions to see if there is anything there that gives them the edge against a deal that is likely to sweep the board with other titles.

However, when you stack up the pros for the A465 and take into account that this is the first deployment of the Welsh mutual investment model (MIM) which it evolved from the Scottish NPD alternative to England's PFI/PF2.

Through the MIM model, the Welsh government can invest up to 20% of the project's equity. It also allows the government to nominate a director to sit on the board, thereby giving it greater control.

After years in the making, this deal was pushed through to financial close in a challenging environment with the sponsor – a JV of FCC and Meridiam – closed the deal in just three months from award... testament to their combined industry experience and the resilience of infrastructure projects.

The A465 runs from Dowlais Top to Hirwaun and was initially brought to market in 2014 as a PPP to expand a 17.7km stretch of road from a 3-lane single carriageway to a 2-lane dual carriageway, along with the construction of a 2.2km stretch of new road.

The project has an associated cost of £644.5 million with debt arranged across

three tranches, £593 million in senior debt and an equity bridge loan of £51.5 million. The £235 million senior debt was secured with a 28 year 11 month tenor.



Advisers:

- Societe Generale
- PwC
- DLA Piper
- Ashurst
- Herbert Smith Freehills
- Eversheds Sutherland
- Pinsent Masons
- Jacobs
- Mott MacDonald
- Steer
- Willis
- AON
- Marsh Insurance

WE DELIVER SUSTAINABLE INFRASTRUCTURE WITH GREATER IMPACT

European Social Infrastructure Education PPP deal of the year
WINNER

European Transport deal of the year
WINNER

North American Social Infrastructure Utilities P3 deal of the year
WINNER

Together with our investors and partners, we deliver long term, essential and sustainable infrastructure that improve the quality of people's life. All our projects contribute concretely to the United Nations Sustainable Development Goals (SDGs), in particular: combating climate change, building resilient infrastructure and ensuring access to clean and affordable energy for all. All provide impactful solutions today and for future generations.

Espoo Schools – Finland

Meridiam is a Benefit Corporation under French law and supports the UN Sustainable Development Goals

European telecoms towers

Phoenix Tower

Given deal flow in the telecoms and digital infrastructure space, this year proved challenging to identify distinct winners of awards across Europe, but the Phoenix Tower deal leapt off the page during the editorial judging sessions.

Blackstone portfolio company Phoenix Tower International in March (2020) closed an agreement with Bouygues Telecom to develop some 4,000 newly-constructed wireless towers over 12 years across France outside the Very Dense Area.

This transaction is one of the largest deals closed by Phoenix and significantly expands its footprint in France, while also solidifying the company's strong position in Europe, the US, Latin America and the Caribbean.

Phoenix and Bouygues Telecom established a long-term partnership in the form of a Phoenix-controlled joint venture that will own and operate the sites. Some of the sites will be deployed as part of Bouygues Telecom's "New Deal Mobile" regulatory obligations of targeted mobile radio coverage improvements, accelerated mobile radio rollouts alongside transportation routes. With attractive size and coverage, the JV is very well positioned as an infrastructure operator of choice in the market.

At the time of financial close, Phoenix Tower International chief executive Dagan Kasavana said: "We are quite enthusiastic to partner with Bouygues Telecom on such an important and exciting project. We believe the French market is well positioned for significant wireless growth throughout the country as further 4G and 5G deployments are made over the coming years and we are proud of our participation in these deployments."

Phoenix Tower International owns and manages more than 8,000 towers, 986km of fiber and in excess of 80,000 other wireless infrastructure and related sites throughout the US, including Puerto Rico and the US Virgin Islands, Costa Rica, Panama, El Salvador, Guatemala, Colombia, Peru, Mexico, the Dominican Republic, France, Jamaica, Argentina, Ecuador, and Bolivia.

Phoenix was founded in 2013 with a mission to be a premier site provider to wireless operators in high-growth markets. Investors include funds managed by Blackstone Tactical Opportunities and John Hancock, as well as members of the management team.

Advisers:

- Natixis
- ING
- Allen & Overy
- White & Case
- Freshfields Bruckaus Deringer
- Orrick Rambaud Martel

European telecoms

Project Astérix

The European telecoms award goes to a major French transaction that saw Vauban Infrastructure Partners and Bouygues Telecom join forces to invest €1.5 billion to roll out fibre-to-the-home (FTTH) to medium density areas around France.

Working through the Société de Développement pour l'Accès à l'Infrastructure Fibre (SDAIF), the vehicle purchased and access rights to FTTH lines from Orange in certain areas in France – around 30% of French premises – through the co-financing of Indefeasible Rights of Use (IRU) and the related financing.

Bouygues Telecom selected Vauban as a majority partner allowing it to take 51% shareholding in the SPV, having won the call for tenders at the end of 2019.

In turn, Bouygues entered into a 30-year wholesale commercial agreement with the SPV to rent access to the FTTH lines within the SPV's perimeter. The SPV also offers rental access to the FTTH lines to third-party operators.

As part of the transaction, SDAIF acquired Bouygues Telecom's existing long term FTTH access rights of optical fibre bought from Orange and will acquire additional long-term FTTH access rights of optical fibre from Orange through co-financing arrangements.

To finance the acquisition of such rights, SDAIF has raised €1.11 billion. The debt was underwritten at 100% by Credit Agricole at the time Vauban was selected preferred bidder, just before the entry into force of the first national lockdown in France.

Bouygues Telecom retains such long-term FTTH access rights as a client to SDAIF pursuant to a 30 years master services agreement which will back debt service.

More than €1 billion will be invested in FTTH lines over the next few years by the JV, enabling Bouygues Telecom to secure infrastructure access at attractive conditions and provide coverage to its fast-growing FTTH client base in the Orange AMII area.

For Vauban, the JV represents the next step in a longstanding strategy to provide digital infra access to commercial operators, adding Orange AMII area to a strong presence in less dense areas (PIN networks, Axione Infrastructure) and high density areas (Cityfast partnership).

Advisers:

- Credit Agricole
- Rothschild
- Goldman Sachs
- Clifford Chance
- White & Case
- Wilkie Farr & Gallagher

European hydro refinancing

HS Orka

Ancala's HS Orka refinance deal is one that regular readers of *IJGlobal* will be well acquainted with as it won a trophy in the IJInvestor Awards in a rare cross-over between our two ceremonies. This is a fascinating deal that crops up here again for *IJGlobal* as European hydro refinancing winner given that it's such an interesting transaction.

HS Orka is the Icelandic renewable energy and utility company in which Ancala Partners owns 50%, and this award is to reflect it securing a \$210 million financing package with a group of leading European commercial lenders in February 2020.

The national renewables leader owns and operates more than 174MW of geothermal power production capacity in addition to a 10MW hydro plant that was recently commissioned... and this award is to recognise the hydro element (and because we like the deal so much).

Ancala in partnership with Jarðvarmi – a consortium of 14 Icelandic pension plans – acquired the business in May 2019. Immediately after the acquisition, Ancala worked with HS Orka to explore options to structure a flexible financing platform that would enable the company to deliver its growth projects.

The financing comprised a term loan, capex facility and a revolving credit facility. HS Orka is using the facilities to pursue attractive development projects and strengthen its position as Iceland's leading privately-owned power producer.

The new financing enabled HS Orka to address several key objectives – primary among them the capacity to raise USD-denominated debt to match the company's currency exposure while also implementing a cost-efficient capital structure through the establishment of a platform. This enabled HS Orka lenders (both current and future) to lend under a structured framework.

Beyond that, the transaction achieved reduced all-in rates and generous covenants to establish further operational flexibility, and established a significant revolving capex facility to support further investment in generation infrastructure in Iceland.

The refinancing package has given HS Orka the ability to fund attractive development projects and further de-risk its operations making it a stand-out deal for Europe.

Advisers:

- DC Advisory
- Latham & Watkins
- Shearman & Sterling
- Logo Law

European waste-to-energy portfolio refinancing
Biogen

The winner of the European waste-to-energy portfolio refinancing award is the £50 million deal focused on a leading UK owner/operator in the anaerobic digestion (AD) market – Biogen.

This Ancala transaction deals with the refi – led by AIB and NatWest – of a diversified portfolio of 14 renewable energy from waste plants and six composting sites that provide cost-effective, low carbon, food waste management solutions.

The Biogen AD facilities have an installed generation capacity of around 26MW and works with supermarkets, the hospitality industry, food manufacturers and local authorities across the UK. The plants recycle some 500,000 tonnes of waste each year and produce enough green energy to power over 55,000 homes.

The structure of the financing was unique in that it was the first portfolio-based financing for the AD sector in the UK. It is based on

the operational track-record of Biogen, which allowed the lenders to approach the financing on a corporate basis rather than individual asset financings which have been the traditional approach in the sector.

This required detailed due diligence and meetings with the management team for the lenders to appreciate how Biogen’s leading and in-house operating model across its diversified portfolio was differentiated from the rest of the market.

This structure is now being used as a template by lenders when assessing other portfolios seeking debt finance in the AD sector.

During the refi process, there was also a change in the senior management team with Biogen’s chief executive departing for a career change. This spooked the lenders, but Ancala was able to demonstrate how its active asset management strategy worked in practice, including day-to-day involvement

through its industry partners and asset management team.

The refi enabled the standalone financing of a leading energy-from-waste renewables platform. It also provides Biogen with funding to pursue further investments into the sector, including renewable heat and private wires to export renewable electricity directly to nearby businesses and communities.

The portfolio is now outperforming returns for similar assets in the same sector making it a worthy winner of this award.



Advisers:

- Rubicon Infrastructure Advisers
- Burges Salmon
- Osborne Clarke
- Mott MacDonald
- Eunomia

CREATING VALUE BY THINKING DIFFERENTLY

- ✔ Proactive sourcing of bespoke investments
- ✔ Active asset management
- ✔ Mid-market focus
- ✔ Aligned partner

ANCALA
 ancala.com

European energy storage refinancing **Enerjisa Enerji Üretim**

The winner of the *IJGlobal Award 2020* for refinance in the energy storage category for Europe is Enerjisa Enerji Üretim in Turkey, the largest financing to make it over the line in the country in the 2020 calendar year.

Furthermore, it is the single largest sustainability-linked (ESG) financing ever to have completed in this sector in Turkey.

The transaction was initiated towards the end of March 2020 at the peak of Covid-19 uncertainty and reached financial close in September firmly in the teeth of the second coronavirus wave.

The complexity of the process required sponsors and advisers to coordinate among multiple stakeholders – more than 20 incumbent lenders, across several regions – and due diligence of the full portfolio of 20 power plants.

The company needed to put corporate-style financing in place to prepare for its next phase of development given that Enerjisa has become a mature company showing a significant track record in every aspect of its business.

With this transaction, Enerjisa was able to align its capital structure with its long-term strategic objectives, including being relieved from sponsor support in place in the legacy



financing, switching to no security/sponsor support structure

Furthermore, additional indebtedness and investments was allowed within a corporate-style covenant structure for renewables, enabling the company to distribute dividends to its shareholders by reducing restrictions on such distributions – so long as covenants are not breached.

As a final benefit, the refi allowed a reduction in the number of lenders from a fragmented group of 20, down to just six – greatly simplifying governance of the loan.

Enerjisa – an (indirect) subsidiary of Sabancı Holding and E.ON – has an installed capacity of around 3,607MW generated by 12 hydroelectric plants, three

CCGTs, three wind farms, two solar parks and one lignite power plant.

It is a leading primary dealer in over-the-counter market and derivatives exchange with its trading volume exceeding 20TWh and it is the largest private sector power generation company in Turkey.

Advisers:

- Cranmore Partners
- GKC Partners
- White & Case
- Selvi Ertekin Attorney Partnership
- MRC Turkey
- Aplus Enerji
- ACE Consulting & Engineering

European solar refinancing CSP **Project Helios**

You don't see many European financings of concentrated solar power let alone a refinancing of CSP and – as such – this deal warrants being singled out.

The €326 million refi by Atlantica Yield also stands testament to the skills of primary deal leaders – Cantor Fitzgerald and Assured Guaranty.

Cantor Fitzgerald wore several hats on this Spanish refi as financial adviser, sole placement agent, ratings adviser and structuring agent; while Assured Guaranty brought its wrapping capabilities.

This was first transaction globally that AG wrapped in the CSP sector, and – even more significant – it is understood to be the first monoline wrapped CSP... ever.

It impacts two concentrated solar power assets – Helios I and II – that have a combined generating capacity of 100MW and are built on 220 hectares in Ecija, southern Spain. The projects were initially owned on a 50:50 basis by E.ON and Atlantica Yield – previously Abengoa Yield – but are now 100% owned by Atlantica Yield.



The portfolio refi using Assured Guaranty's credit enhancement product enabled the debt product to be rated AA by S&P. The investors in the bond are Barings and Ampega.

The financial cost for the transaction (all-in) was sub 2% a result of the AA treatment and guarantee provided by Assured Guaranty, while also providing Atlantica Yield with improved tenors and leverage to comparable existing financings.

The Assured Guaranty refi came in at roughly 100bp less than other non-wrapped deals in the market with a shorter regulatory

tail (six months) than comparable financings that require tails of up to two years.

Beyond that, the new structure also enabled Atlantica Yield to increase its CAFD (distributions) from the project while enabling a simultaneous dividend recap for itself against the existing structure.

Project Helios is also the first rated CSP transaction globally following Solaben 1&6 in Spain of the 2015 vintage.

Francisco Martinez-Davis, chief financial officer of Atlantica, said at the time of financial close: "With this financing, Atlantica is able to continue to diversify its financing sources."

Advisers:

- Cantor Fitzgerald
- Clifford Chance
- Watson Farley & Williams
- BDO
- Altermia
- PwC

European digital infrastructure refinancing smart meter

Calisen Refinancing

The £1.1 billion refinance of Calisen – the UK smart metering asset provider – in July (2020) caused ripples in the market as one of the few (and first) large, multi-creditor financings to achieve financial close in the London loan market at the height of the pandemic.

The refi impacted part of Calisen's existing portfolio of smart meters and other metering equipment, alongside the raising of capital expenditure and working capital debt to support the supply of metering equipment under contracts with the Big 6 and other energy suppliers.

The transaction first commenced in late 2019 and continued past the commencement of the Covid-19 outbreak in the UK, to close in July with the support of around 20 bank and institutional lenders.

Among its achievements, the Calisen deal heralded the entrance of institutional lenders – at scale – into the smart metering market which had hitherto been dominated by bank lenders supporting infrastructure fund investors.

Two existing bank facilities were refinanced – £400 million, maturing

“The support that the refinancing has generated from both our existing lenders and new institutional debt providers is testament to the underlying credit strength of our business.”

October 2022, and £730 million, maturing September 2029.

These meter funding facilities were replaced by a fixed-rate institutional tranche of £290 million which amortises from June 2025; and an amortising bank loan of £192.5 million.

Additionally, the following committed but undrawn facilities are available as part of the new structure to fund the continued roll-out of smart meters from the group's pipeline: an amortising capex facility of £115 million; a revolving credit facility (Platform RCF) of £400 million; and a standby facility of £70 million.

Calisen CFO Sean Latus said at the time of financial close: “The refinancing extends the weighted average life of the facilities we have refinanced as well as fixing their cost while interest rates are at historic lows.

“The support that the refinancing has generated from both our existing lenders and new institutional debt providers is testament to the underlying credit strength of our business, allowing us to fund the continued smart meter roll-out more efficiently and deliver on our pipeline of opportunities.”

Advisers:

- Evercore Partners
- Santander
- Allen & Overy
- Clifford Chance
- BDO

European digital infrastructure refinancing fibre

Open Fiber

The winner of the digital infrastructure refinance award in the fibre category goes to Open Fiber – a landmark transaction in the infra sector in both Italy and Europe.

BNP Paribas played a leading role in this transaction, acting in an advisory capacity while also serving as structuring bank, modelling bank, global coordinator, global bookrunner, underwriter, initial mandated lead arranger and hedge coordinator.

The execution timing for the A&E was particular as it was running in parallel with ongoing M&A discussions on ENEL exiting to Macquarie and Cassa Depositi e Prestiti taking a leading role in the future consolidation of the broadband market in Italy, therefore securing the financing of the business plan of Open Fiber was of critical importance for both shareholders.

Open Fiber was created to roll out a national FTTH network impacting 19.4 million households in Italy under a concession regime benefiting from public grants from Infratel. When complete, OF's network will be the largest in Europe. BNPP, Societe Generale and Unicredit in July 2017

Open Fiber – a landmark transaction in the infra sector in both Italy and Europe.

provided a €510 million bridge loan to OF, which was still at development phase, achieving close in October 2018.

In early 2020, following an update of the original business plan, BNPP, SG and Unicredit started discussions with OF on the best way to address additional financing needs.

This translated into a structuring and advisory mandate whereby, through an amend and restate process, a €675 million top-up, non-recourse facility was added to the existing debt package as a complement to the €450 million additional equity commitments brought by the sponsors.

The three banks were also mandated to each underwrite one third of the €675 million top-up facility, and backstop one

third of €694 million of potential existing lenders non-consenting to the amendment and reinstatement.

Following a first successful process with the existing lenders, only one bank exited the transaction, reducing the backstop underwriting to €70 million, while the other existing lenders increased their commitments by some €279 million.

Advisers:

- BNP Paribas
- Societe Generale
- Unicredit
- Gianni Origoni Grippo & Partners
- White & Case
- Artur D Little
- EY
- Analysis Mason



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Creating Opportunities



European solar refinancing – Renovalia – SIX

Renovalia wins the award for European solar refinancing with Project Six, a €210 million deal in Spain that was led by BNP Paribas.

This is one of the most recent developments for the major Spanish independent renewable energy producer. Over 20 years, the company has built up a diversified portfolio of renewable assets totaling 808MW in operation, including onshore wind (82%) and solar PV (18%). Of these assets, 66% are located in Spain (66%).

The refi impacts a 53MW portfolio of seven solar PV plants owned by Renovalia and spread across Spain with an operating life of around 10 years and what the award submitter classes (not exactly glowingly) as “satisfactory performance to date”.

As a plus point for this portfolio, all the assets benefit in full from the Spanish regulatory framework applicable to renewable plants built prior to the 2013 regulatory reform.

Project Six is a landmark transaction for the BNP Paribas Spanish franchise, in which the French bank demonstrated its leadership and capacity to deliver a global and coordinated solution to the client involving advisory services and a tailor-made financing package with full commitment and following successful syndication.

This transaction also strengthens BNPP's long-standing relationship with Renovalia.

In the context of Cerberus sale of Renovalia to F2i, BNP Paribas provided a fully committed refinancing package that created substantial additional value to the sponsor, by optimizing financing terms and smoothing the financing execution.

The new financing was structured as one single, non-recourse, long-term financing at HoldCo level. The financing includes a 17-year senior term loan for €202.1 million, and an €8.7 million debt service reserve facility.

In addition, Global Markets structured and executed the blend-and-extend of the existing swaps (c. €23 million mark to market).

The financing was 40% oversubscribed, highlighting the portfolio's intrinsic quality and the strong investors' interest in this asset type, as well as the overall financing structure's soundness. The financing made it possible for Renovalia to improve financial conditions by extending the repayment period and adjusting financial costs.

Advisers:

- KPMG
- Watson Farley & Williams
- Gomez-Acebo y Pombo
- Bird & Bird
- G. Advisory
- Willis

European port refinancing – Antwerp Gateway

The refinance of Antwerp Gateway – known to those involved in the transaction as Project Brialmont – wins in this category for having arranged long-term financing to support ambitious expansion plans.

Antwerp Gateway secured a 20-year, €258 million refi package as part of its plans to increase automation and container capacity with Citi acting as sole and exclusive financial adviser and placement agent.

This financing package not only refinances the debt of Antwerp Gateway with an attractively priced, long-dated private placement facility, but it includes a bank facility to support the terminal's capacity expansion plan.

With these facilities in place, the joint venture has secured funding to increase the capacity of the terminal in line with growing market demand. It was the first European terminal asset to price in the private market since the outbreak of Covid-19.

Antwerp Gateway is a container terminal in Deurganckdok in the Port of Antwerp, Belgium. DP World manages and operates the terminal under a 40-year concession granted by the Antwerp Port Authority, and which expires December 2046. The other JV partners are COSCO Shipping Ports, Terminal Link and Duisburger Hafen.

The refi achieved an A- investment-grade rating from a major rating agency reflecting the robustness of the underlying business and the conservative debt structure. Moreover, the financing package provides Antwerp Gateway access to attractively priced, long-dated funding that is better aligned with its concession-based business model.

The senior secured notes include a two-year delayed draw feature with no additional commitment fees paid to investors. A bank capex facility is available to support the terminal's expansion plan, allowing Antwerp Gateway flexibility to manage the timing and funding of its expansion capex in response to the broader market environment.

Rob Harrison, VP of DP World Inland & Logistics said at the time of financial close: “The excellent terms and structuring reflect the institution's positive view of Antwerp Gateway as both an asset and an investment. This issuance will enable us to increase capacity to serve customers better and further improve efficiency across the terminal.”

Advisers:

- Citigroup
- Allen & Overy
- Linklaters
- White & Case
- BDO

European renewables portfolio refinancing – Iberwind Portuguese wind farm

Ventient Energy's refinance of the 726MW portfolio of the Iberwind Wind Portfolio – one of the largest wind portfolios in Portugal – is the winner of the European award in this category. Ventient acquired the portfolio in October 2020 from Cheung Kong Infrastructure (CKI) and Power Assets Holding (PAH). It holds 31 operational wind farms in Portugal, comprising 320 wind turbines and the refi reached financial close on 25 November 2020.

The portfolio operates under a two-phase feed-in-tariff (FiT) regime with an initial 15-year fixed tariff followed by a seven-year cap and floor price protection.

With an installed capacity of 726MW, this represents around 15% of electricity produced by wind power in Portugal and about 3% of the electricity consumed. On a consumer level, this is equivalent to the energy consumption of more than 600,000 average households.

Two of the wind farms in the portfolio – Candeeiros and Pampilhosa – are regarded regionally to be among the largest in terms of on-shore installed capacity account for more than 100MW each.

The total value of the transaction is €745.5 million, comprising €682 million of senior debt and €55 million in additional funds. The lenders are: Allied Irish Banks, BBVA, Banco Comercial Português, Santander, Bankinter, BNP Paribas, Crédit Agricole, Intesa Sanpaolo, National Australia Bank and Novo Banco.

At the time of the Iberwind acquisition, Ventient owned and operated assets across Belgium, France, Germany, Portugal, Spain and the UK, including four wind farms in Portugal. The addition of Iberwind brought its installed capacity to 2,556MW, cementing its position as a leading European onshore wind company.

Ventient Energy chief executive Mark Jones said at the time of the acquisition: “Iberwind is one of Portugal's leading wind energy companies, and a clear strategic fit with our existing business across Europe. We are excited to welcome the highly experienced Iberwind team to Ventient. We believe the combined team will form a powerful organisation while extending our sustainable growth ambitions and our mission to help secure the planet's future through renewable energy.”

Advisers:

- Allen & Overy
- Cuatrecasas
- Linklaters
- Gonçalves Pereira & Associados
- Sociedade de Advogados
- BDO

European transport motorway refinancing

A88 Refinancing

The refinance of a major French motorway PPP with Allianz Global Investors playing a significant role is the winner of the European transport refi award.

AllianzGI fully refinanced, on behalf of its investors, the existing debt of Alicorne – concessionaire on the A88 that is owned by APG, Ardian and NGE Autoroutes.

The A88 is a 44km tolled road connecting Falaise and Sées in Normandy, and is an essential piece of infrastructure serving local commuters as well as long-distance travellers. It facilitates the flow of goods by linking key cities and ports in Normandy to the south west of France and Iberia.

The refi was launched in early 2019 with several potential debt providers – including AllianzGI – and was initially expected to close in the first quarter of 2020. However, the Covid-19 pandemic impacted progress and it didn't close until late December.

Government measures to stem the circulation of the virus severely restricted mobility, which led to a sharp drop in traffic and eventually dampened sentiment on road assets. A full lockdown was implemented in France between mid-March and mid-May, and was then gradually removed as things improved.



The shareholders, financial adviser Societe Generale and AllianzGI's deal team closely monitored the performance of A88 which revealed that – after a severe drop in usage during full lockdown – traffic recovered quickly to almost reach 2019 levels.

This allowed AllianzGI's deal team to strengthen its conviction on the resilience of the asset and to offer a funding solution that addressed the total refinancing needs of Alicorne, allowing it to repay the loans initially granted by the EIB, Depfa-FMS and Dexia, and to unwind the interest rate hedges put in place by Depfa-FMS and Dexia.

The refinancing is split between 30-year and 35-year bonds.

The bonds were structured with improved terms compared to the original proposal prior to Covid, notably higher margin, strengthened covenants, more stringent dividend distribution tests and increased liquidity. The 35-year funding allowed reduced annual debt service, increasing the cover ratios.

Advisers:

- Societe Generale
- Ester
- Allen & Overy
- Gide Loyrette Nouel
- Mott MacDonald
- H3P
- Aether Financial Services

European social infrastructure refinancing district heating

Coriance

The €100 million refinance of Coriance is the winner of the *IJGlobal* award for refi in the district heating sub-sector of the European social infrastructure category – a deal with a healthy sustainability angle.

As the third largest district heating business in France, Coriance operates a network of district heating and energy assets via long-term concessions serving 215,000 household-equivalents. It caters for a diverse range of customers including public and private housing managers, schools, universities, hospitals, municipal buildings and industrial customers.

Its portfolio consists of 34 concessions under the Délégation de Service Public (DSP) framework and one private contract. In total, it has an installed heat capacity of 1.3GW and an installed power capacity of 150MW.

In 2020 Coriance supplied 2TWh of heat, of which 68% was generated from renewable energy sources, making Coriance the greenest district heating operator in France.

Coriance supplied 2TWh of heat, of which 68% was generated from renewable energy sources, making Coriance the greenest district heating operator in France.

It generates the majority of its revenues from these long-term DSP contracts, typically with a duration of 20-30 years, with an average remaining contract life of 15 years.

It has been jointly owned by First Sentier Investors' EDIF I, EDIF II and GDIF unlisted infrastructure funds since August 2016.

Coriance in March 2020 successfully closed the refinancing of €100 million of senior facilities – capex and term debt – with existing lenders NAB and Westpac.

Both the capex facility and term loan were structured as sustainability improvement facilities that link the pricing on the loans

with the company's performance across a number of sustainability KPIs. Under this innovative sustainable finance structure, the facilities provide a further €100 million of funding for Coriance's growth over the next five years.

Committed growth projects include network expansions for a number of concessions, and further increasing the proportion of renewable energy in the production mix.

DC Advisory played a key role as financial adviser on this refi, building in clever sustainability elements that are becoming increasingly common in transactions across the globe and will feature a great deal more regularly in *IJGlobal* awards in years to come.

Advisers:

- DC Advisory
- Latham & Watkins
- Allen & Overy
- BDO
- Sustainalytics

European offshore wind refinancing
London Array



The winner of the European offshore wind refinance award is London Array for Masdar's refi in March of its 20% stake in the farm – the third-largest fully commissioned offshore wind farm in the UK.

While many submissions have made a fuss about the impact of Covid-19 which made their efforts exemplary by having closed a deal over Zoom... this one warrants special mention as it closed on 26 March – when many were struggling to set up home offices and fend off children/pets/coronavirus.

The project stake is owned by sponsors via a HoldCo and through an unincorporated joint venture structure, both of which can be considered challenging from a senior lender / bankability perspective.

However, the structuring of the operating agreements, operational track record of the asset and the constructive working

relationships between the owners act to mitigate risks in the long term.

Masdar refinanced its 20% stake in the 630MW London Array with three original lenders returning and four new banks coming in. The Abu Dhabi-based renewable energy developer financed its portion of the construction costs with project finance debt that signed in 2011, which it refinanced in 2013 once the offshore wind farm came online.

Masdar then returned to the market in March 2020 to refinance the debt on the project with a club of seven banks: BNP Paribas, MUFG Bank, Santander, Siemens Bank, SMBC, Societe Generale and Standard Chartered.

The debt priced on market at Libor +130bp, and the deal was 6 months in the making with Societe Generale acting as financial adviser to the lenders. The debt

was arranged across three tranches: a £395 million term loan; £50 million working credit facility; and a £21 million debt service reserve facility.

The wind farm is located off the coast of Kent, England, and has been fully operational since 2013. It powers more than 500,000 homes, displacing almost one million tonnes of CO2 yearly.

The other owners are RWE with 30%, Orsted at 25%, and CDPQ with 25%.

Advisers:

- Societe Generale
- Baringa
- Allen & Overy
- Norton Rose Fulbright
- Wood Group
- BDO
- Willis Towers Watson

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FOR A SUSTAINABLE FUTURE

European waste-to-energy Protos

The winner of the European waste-to-energy award is the 49MW Protos project in Cheshire, England, a deal that saw Biffa, Covanta and Macquarie's Green Investment Group reach financial close on the £355 million project financing in early December.

The total project construction cost is estimated to be between £345 million and £355 million to provide 400,000 tonnes of annual treatment capacity for non-recyclable waste, further enabling the UK to achieve national self-sufficiency in managing waste and compliance with landfill diversion targets.

In processing non-recyclable residual waste, the Protos Energy Recovery Facility will generate up to 49MW of electricity – enough to power 90,000 UK homes.

The facility will be located near Ellesmere Port in Cheshire within the Protos energy and resource hub. It is being developed by Peel L&P Environmental and the site clusters together innovative technologies, connecting energy-intensive businesses with sources of low-carbon energy.

The sponsor consortium achieved a gearing of 60:40, providing around £140 million in equity with the remainder provided by four banks: Allied Irish Bank, ABN Amro, MUFG and Siemens Bank. The tenor and pricing matched that reached on the 42MW Newhurst WTE project in Lincolnshire, which the same consortium brought to financial close in February 2020 – 23 years, pricing at Libor +225bp.

The £140 million of equity on the Protos plant is split among the three firms, whose shareholding is: Biffa with 25%; while Covanta and GIG each have 37.5% in equity. Construction of the facility is led by a joint venture between Mytilineos and Standardkessel Baumgarte, both established players in the UK waste sector.

Covanta is supplying technical oversight during construction and operation of the facility for an initial 20-year term, while Biffa will provide the majority of the waste-supply through a long-term agreement.

The plant is construction-ready and is expected to reach full operations in Q1 2024.

Projects like Protos are particularly important in the UK in the run up to the re-scheduled COP26 this year, and efforts continue to improve the UK's waste infrastructure and progress towards a low-carbon economy.

Advisers:

- Macquarie
- Ashurst
- Linklaters
- CMS
- Gowling WLG
- Hogan Lovells
- Mazars

European solar – Kaposvár Solar PV Project

The winner of the solar award is Kaposvár PV project in south west Hungary – a project that reached financial close in June 2020 and is the largest facility in central Europe, now that it is operational.

The sponsor – China National Machinery Import and Export (CMC) – secured financing from the Bank of China to build the 100MW project in Hungary, raising Ft23.23 billion (\$74 million) of debt while providing Ft10 billion in equity to finance the construction and operation of the wind farm.

The debt was entirely provided by the Bank of China which acted as mandated lead arranger as well as facility and security agent. The loan was arranged across two tranches, both Ft11.6 billion in size with a tenor of 15 years.

CMC began construction on the asset after the project reached financial close on 22 June (2020) and it is just the start of its ambitious plans. The Chinese firm is planning to create a regional centre in Hungary, from which it will manage further development in the 16 central and eastern European (CEE) countries.

The 100MW power plant has been built in Kaposvár and consists of two 49.28MW projects.

This deal wins the award based on the impact it is already having on the national market as well as the knock-on effect for neighbouring nations. It is also to recognise the efforts being made by CMC to drive the green agenda as it has plans to invest up to €1 billion in Hungary alone.

The investment in Kaposvár boosts Hungary's solar power capacity of 2,300MW currently installed by 5%. The increase in PV capacity is roughly equivalent to the annual energy demand of 65,000 people and will eliminate 120,000 tonnes of carbon dioxide emissions.

The Hungarian solar market is trending up with capacity from this renewable source having quadrupled from 2015-20. This is set to continue up to 2030 when the national goal is to have 6GW installed.

The modules were provided by Chinese manufacturers JA Solar and JinkoSolar, both of which secured a 50MW supply contracts.

Advisers:

- Allen & Overy
- Ashurst
- Kinsteller

European onshore wind Zeewolde Wind Farm

The winner of the European onshore wind award is Zeewolde Wind Farm – Windpark Zeewolde (WPZ) – a 322MW facility with deep roots in the community and a unique ownership structure that should be used as a template for future deals.

This transaction in the Netherlands closed in June 2020 and has so many positive features that it is a feather in the cap to all parties involved in its delivery – a veritable ESG pathfinder. The WPZ team started in the right way by discussing the project with the local communities and built from solid foundations of support.

The ownership model shares the economic interest indirectly with more than 200 local residents, turbine owners and agricultural entrepreneurs. Solidarity within the group is cemented by emphasis on local benefits and equal profit sharing.

Beyond that, there is the sheer size of the project which covers and area of more than 300 square km. It is also crucial for Dutch sustainability targets as it will supply green electricity to some 280,000 households.

And then there is the decommissioning and repowering assignment with permits to require decommission of more than 200 old turbines (around 170MW) in the area over multiple years, replaced by new and larger turbines.

A nearby airport and military radar station resulted in permitting of four turbine ranges and consequently four different turbine types will be built. WPZ will also construct and operate its own substation and export cable, placed in a separate SPV (GridCo) to which Raedthuys and Eneco will also connect 4 turbines each. Everyone in the vicinity was eligible to participate financially and around 90% did so. Once construction is complete, participation possibilities will be opened up to a wider group.

The many specific features and resulting bankability items were mitigated in agreements with stakeholders and carefully detailed in extensive due diligence reports. Success of the strategy was underlined by the project reaching FC within tight timelines.

Advisers:

- Green Giraffe
- Incredible World
- Clifford Chance
- Norton Rose Fulbright
- Mott MacDonald
- Benatar & Co
- Baringa
- Mazars
- AON
- Chatham Financial
- HVK Stevens

European oil and gas

Amur Gas Processing Plant

The winner of the European O&G award is Amur Gas Processing Plant (AGPP) in Russia, a project that plays a key role in the transition from coal-fuelled power and heat generation in the region.

AGPP is Russia's largest natural gas processing enterprises and indeed one of the largest such facilities in the world. This project is of huge strategic importance for the Asia-Pacific region and it is one of the largest project financings ever with total debt financing of €11.4 billion.

The transaction itself involved three ECAs, 14 international commercial banks, three Chinese and five Russian banks. It achieved a 15-year door-to-door tenor on uncovered tranches – unprecedented for a downstream O&G project in Russia.

The Amur plant is an important part of the state-sponsored development of Russia's O&G reserves in eastern Siberia and the expansion of major export routes into China and the APAC region. It forms an integral component of the process chain of natural gas supply to China via the Eastern Gas Route under the SPA signed between Gazprom and CNPC in 2014.

More than 25,000 people are engaged in the construction of the project and about 3,000 jobs will be created during operations, which will process some 42bcm of natural gas each year. The Eastern Gas Route will provide significant environmental benefits to the region by supplying natural gas to China's historically coal-burning north east.

The project company – Gazprom Pererabotka Blagoveshchensk (GPPB) – is wholly owned by Gazprom through subsidiaries and is responsible for the DBFOM. A long-term gas processing agreement between Gazprom and GPPB ring-fences the project company and its lenders from supply, offtake and market risks.

Multi-component feed gas will be delivered to the project via the Power of Siberia gas pipeline system from the Yakutia and Irkutsk gas production centres within the Eastern Gas Programme. AGPP is designed to produce sales gas, sales helium, ethane, and liquefied hydrocarbon gases.

Advisers:

Gazprombank, ING, China Development Bank, Freshfields Bruckhaus Deringer, Herbert Smith Freehills, Linklaters, Norton Rose Fulbright, Ramboll, RINA Group, Advisian, PwC, BMS Group, Bankserve

European Export Finance

Northvolt

Northvolt has won the European export finance award for the financing of two lithium-ion battery cell gigafactories in Sweden and the significant involvement of development finance institutions.

The project is valued at \$3 billion and the \$1.6 billion debt financing package was provided by a large group of commercial banks and pension funds as well bringing in considerable support from the European Investment Bank, the Nordic Investment Bank and the Export-Import Bank of Korea (KEXIM).

The loan is structured with guarantees from Euler Hermes, Nippon Export and Investment Insurance (NEXI) and Bpifrance.

The combined roles of the EIB, NIB, KEXIM, Euler Hermes, NEXI and Bpifrance secured this deal the export finance award.

Northvolt is a European supplier of sustainable, high-quality battery cells and systems. It was founded to enable the European transition to a decarbonized future, and the company has made swift progress on its mission to deliver the world's greenest lithium-ion battery with a minimal CO2 footprint. Among the Northvolt industrial partners and customers are ABB, BMW Group, Scania, Siemens, Vattenfall, Vestas and the Volkswagen Group.

The debt and equity of more than \$3 billion support the development gigafactories and investments in R&D, industrialization and recycling. It targets a 25% market share in Europe by 2030 with 50% of raw material secured from recycled batteries.

Northvolt Ett, with a potential annual output of 40GWh, is under construction and scheduled for start of production this year (2021). The financing is underpinned by world-class financial institutions supporting a new industry in Europe – a clear sign of where the market is headed.

This new industrial landscape will need significant investment over the coming years and will bring more opportunities for financing sustainable projects – with Northvolt now serving as a pathfinder.

This transaction also supports the regional economy by allowing European electric vehicle manufacturers to source their batteries locally, thereby protecting a large number of qualified jobs in the regional automotive industry in the face of increasing global competition.

Advisers:

BNP Paribas, Morgan Stanley, Milbank, Linklaters, Mannheimer Swartling, Latham & Watkins, White & Case, Allen & Overy, Advokatfirman Cederquist, Wistrand, Arup, BMI

European mining

Project Taishet

The winner of the European mining award is the Taishet Aluminium Smelter (TaAZ), a deal that marks a significant achievement for Russian and global aluminium players and showcases further steps towards reducing the level of greenhouse gas emissions from production.

The financing will be used for the design, construction, development and operation of the start-up phase of TaAZ and the partial refinancing of investments made in 2020.

Following commissioning, TaAZ will become one of the most environmentally friendly and high-tech enterprises in the global aluminium industry. The plant will have an annual production capacity of 428,500 tonnes.

TaAZ is owned by Russian aluminium producer RUSAL and a syndicate of Russian banks – VTB and Gazprombank – provided a RUB45 billion (\$603.2 million) syndicated financing for the completion of the first start-up complex of the smelter.

The new smelter will be one of the RUSAL's key assets in Siberia and also be one of the largest non-ferrous smelters in Russia. It will be equipped with energy efficient RA-400 "T" modification electrolyzers. Today RA-400 is one of the most powerful electrolyzers in the world and can produce about 3 tons of aluminium daily.

Upon start-up of the first series, the production complex of the Taishet smelter will include 2 electrolysis units, a foundry, anodic and energy units, as well as infrastructure facilities.

The site was chosen to minimize the impact of the plant on the regional environment and the plant will be equipped with modern dry gas cleaning systems with a capture efficiency of more than 98.5%.

Oleg Mukhamedshin, RUSAL's director of strategy, BD and financial markets, said at the time of financial close: "The construction of the Taishet aluminium smelter is one of the priority development projects for the company, a significant part of the costs of which RUSAL has provided at its own expense.

"The funds raised under the agreement with VTB and Gazprombank, will be used to finance the completion of the construction of the smelter, which after commissioning will become one of the most environmentally friendly and high-tech enterprise in the global aluminium industry."

Advisers:

White & Case

European digital infrastructure FttH THD Loire-Atlantique

The winner of the digital infrastructure award in the FttH category for Europe is the THD Loire-Atlantique – a significantly impactful deal to improve connectivity across rural areas of France.

The Loire-Atlantique department launched a competitive tender for the fibre-to-the-home (FttH) project that was won after a fiercely competitive process by Vauban Infrastructure Partners and its partner Axione, the largest French wholesale independent operator in the sector.

The FIBRE44 consortium was awarded the 30-year concession contract for the roll-out, commercialisation and operation of an ultra-fast broadband public initiative network (PIN) in the Loire-Atlantique department.

The project covers the rural areas of the department, and is a mixed concession and affermage contract, with around 200,000 lines to be built on a DBFOMT basis over the course of four-and-a-half years, as well

as some 113,000 lines, currently deployed by Orange under a CREM scheme, that will be provided to the concessionaire on a lease and operate basis.

The consortium, through its FIBRE44 special purpose vehicle that was established for this project, signed the concession agreement with the Loire-Atlantique department on 7 July 2020.

The project, which is part of France's €20 billion high speed network plan – Plan France Très Haut Débit – that launched in 2015. This is one of the biggest and the last PINs to be awarded and was the largest greenfield project closings in 2020 under a concession scheme in France.

It will enable the department to reach its objective to provide 100% of department households with ultra-fast broadband access by 2025.

For Vauban Infrastructure Partners, this project strengthens its reputation as a

pioneer in the FttH sector, obtained through its 10 years partnership with Axione, and confirms its longstanding strategy to provide ultra-fast broadband connection to all French households.

The process of labialization of the financing as a green and social loan by a third-party adviser is now achieved, reflecting the tremendous benefits provided by the project in terms of equality, improvement of access for rural territory, integration, employment and training.

Advisers:

- Societe Generale
- Linklaters
- Clifford Chance
- White & Case
- Mazars
- Natixis

European battery storage Northvolt

The first ever project financing to develop a greenfield lithium-ion battery manufacturing plant project – what else could win the European battery storage award other than the \$3 billion Northvolt deal?

Northvolt is Europe's first home-grown gigafactory for lithium-ion battery cells and will supply batteries for a wide selection of end markets that range from electric vehicles through to energy storage systems, portable and industrial applications.

Basically, this deal feeds into Europe's ambitions to enable some of the most exciting projects on the radar... many of which are still faint blips. This is very much a project of its day as the momentum for "green" solutions builds relentlessly.

Northvolt's customers need large volumes of high-quality batteries with a low CO2 footprint, and these gigafactories are a solution to the challenge Europe faces to build a fully regionalised value chain to support this industry. As such, the project has strong support from more industrial partners than you can shake an electrode at.

The financing is underpinned by world-class financial institutions supporting a new industry in Europe – a clear sign of where the market is headed. This new industrial landscape will need significant investment over the coming years and will bring more



opportunities for financing sustainable projects – with Northvolt now serving as the perfect pathfinder. This transaction also supports the regional economy by allowing European electric vehicle manufacturers to source their batteries locally, thereby protecting a large number of qualified jobs in the regional automotive industry in the face of increasing global competition.

The \$1.6 billion debt financing package was provided by a large group of commercial banks and pension funds as well bringing in considerable support from the European Investment Bank, the Nordic Investment Bank and the Export-Import Bank of Korea (KEXIM). The loan is structured with certain guarantees

from Euler Hermes, Nippon Export and Investment Insurance (NEXI) and Bpifrance.

Advisers:

- BNP Paribas
- Morgan Stanley
- Milbank
- Linklaters
- Mannheimer Swartling
- Latham & Watkins
- White & Case
- Allen & Overy
- Advokatfirman Cederquist
- Wistrand
- Arup
- BMI

IJGlobal Awards 2020



North America winners

Winners in the North America transaction category are:

- Editor's Choice North America – **Prince George's County Schools**
- North American digital infra – **MBTA AFC 2.0 Project Reset**
- North American digital infra acquisition – **Zcolo Acquisition Financing**
- North American oil & gas – **Whistler Gas Pipeline**
- North American battery storage – **Bolt Battery Storage**
- North American export finance – **Verizon Communications**
- North America power – **Canada 900MW Cascade Power Project**
- North American oil & gas – **Canada Coastal Gaslink Pipeline**
- North American petrochemicals – **Alberta Propane Dehydrogenation/ Polypropylene project**
- North American power, US – **CPV Three Rivers Energy Centre**
- North American refinancing, oil & gas – **Freeport LNG Train 3 Refinancing**
- North American refinancing, power – **Linden Cogeneration**
- North American refinancing, renewables – **Project Arcadia**
- North American renewables, solar – **Highlander**
- North American renewables, geothermal – **Geysers Facilities Project**
- North American renewables M&A – **Sunrun acquisition of Vivint Solar**
- North American renewables tax equity – **ENGIE Jupiter Wind and Solar Portfolio Tax Equity Raise**
- North American renewables, onshore wind – **Western Spirit**
- North American social infrastructure, energy – **University of Iowa Utility System P3**
- North American social infrastructure, education – **Prince George's County Schools**
- North American transport, brownfield – **Iowa Interstate Railroad**
- North American transport, greenfield – **Highway 104**
- North American water – **San Antonio Water Vista Ridge P3 Refinancing**

Editor's Choice North America - Prince George's County Schools

The pathfinder Prince George's County Schools project in Maryland has been singled out by Editor **Ila Patel** for the *IJGlobal* Editor's Choice Award for North America.

Over the last 10 years, while transport projects have continued to be procured in dribs and drabs, social infrastructure deals have begun to emerge slowly as the next hotspots for investment. They include universities (and their utility systems), courthouses, student accommodation and waste.

But there is one sub-sector that has the potential to grow - and that is elementary schools. Numerous US municipal and state budgets are bearing the burden of the global pandemic which is why P3s can provide a solution to repairing and rebuilding aged infrastructure. P3s also provide budget certainty, and with any luck, more and more districts will realise this and consider the benefits to support the education of students while saving millions of dollars.

In 2020, Maryland's Prince George's County became the first district in the US to finance the construction of 5 new middle schools and one K-8 school using the P3 model, despite the negative publicity surrounding another P3 deal in the state which was embroiled in legal troubles. So it came as no surprise when there was public opposition against the schools project and it was deemed too risky and not having the interests of children's education as its priority.

Maryland's controversial Purple Line P3 project saw disputes arise between concessionaires Meridiam and Star America (and at the time construction partner Fluor) and the Maryland Transit Administration (MTA) in 2020 due to an estimated \$800 million in cost overruns and delays in construction. Fluor is no longer part of the concession with a new construction partner currently being sought.

The MTA sought a restraining order as part of a lawsuit filed on 10 August 2020 against the companies in the Circuit Court for Baltimore City. The lawsuit accused Purple Line Transit Partners of breach of contract.

By the end of 2020, an amicable resolution was reached with the State of Maryland agreeing to pay P3 partners Meridiam and Star America \$100 million by 31 December with the remaining amount to be paid this year (2021).

Maryland's Prince George's County became the first district in the US to finance the construction of 5 new middle schools and one K-8 school using the P3 model



However this litigation process left a bad impression so it came as no surprise when public opposition against the schools project increased with town halls being held in Q3 2020, with complainants raising concerns over the private sector's financial motivation not being in line with that of the populace.

Prince George's County Public Schools (PGCPS) said it had made a robust contract taking all concerns into account and protecting the interest of the public, money and its timeline. The procurer also outlined as to why the P3 method was more beneficial to the state than a traditional construction method. The deal made it to financial close in December 2020.

The board of education of Prince George's County operates 240 facilities with an annual operating budget of \$2 billion. PGCPS is currently facing acute overcrowding in its schools with a vast majority of the county's school portfolio at or near the end of its useful life-cycle and in need of significant repair and renovation.

The financing comprised \$479 million in senior secured notes issued by borrower Prince George's County Education & Community Partners in a private placement for the project to DBFM 6 new schools. The note purchasers were Banner Life Insurance Company, Legal and General Assurance Society, The Canada Life Assurance Company, The Canada Life Insurance Company of Canada, Massachusetts Mutual Life Insurance Company, The Lincoln National Life Insurance Company,

The Northwestern Mutual Life Insurance Company, Metropolitan Tower Life Insurance Company, MetLife Insurance, MetLife Insurance Company of Korea, Swiss re Life & Heath America and Aviva Life & Pensions.

MetLife Investment Management (MIM) was the lead investor with a circa \$200 million allocation, representing 42.5% of total debt to be drawn through June 2023.

Deutsche Bank Trust Company Americas acted as collateral agent with National Bank of Canada as account bank.

The equity sponsors on the deal were Fengage (75%) and Gilbane (25%).

Bob Hunt, managing director, public institutions at JLL, said: "This P3 is so special because it is a major step forward in delivering equal opportunities to the students and families of Prince George's County. Without this agreement in place, it would take more than 15 years for these schools to get funded and built. Of the many learnings uncovered from this year's pandemic, I think we can all agree on the pivotal role our schools and their faculties play in the lives of our children." ■

Advisers:

- JLL
- Winston & Strawn
- Torsys
- Altus Group
- Operis Group
- INTECH Risk Management

Best digital infrastructure award, North America
MBTA AFC 2.0 Project Reset

John laing
 making infrastructure happen

The Massachusetts Bay Transportation Authority's (MBTA) automated fare collection system services project (AFC 2.0) has been selected as the winner of the digital infrastructure award for North America.

The project, which was awarded to a John Laing tie-up with Cubic Transportation Systems in 2017, has been lauded as the first fare collection P3 in the US. It originally closed in 2018 and in 2020 the project's scope was amended and expanded, and a refinancing was carried out.

The project encompasses the design, implementation, operations, management and financing of a next-generation fare payment system to serve the MBTA's multi-modal regional transit system.

AFC 2.0 will streamline payments across the transit network, speed up the boarding process for passengers, reduce fare evasion, and reduce operational costs by \$65 million over the life of the contract. It will also allow for more flexible payments, with the ability to offer benefits such as zone and distance-based fares, time-of-day fares, and fare capping.

Additionally, the project's scope includes the digitisation of the Orange Line's signalling system, reducing manual labour, time and money spent on maintenance, and improving service reliability.

By delivering the project using a P3 structure, the MBTA was able to reduce its risk exposure to technology and installation.

"This isn't just the next generation of fare collection, but an entirely new way that our customers will interact with the MBTA," says Luis Manuel Ramirez, MBTA general manager.

John Laing provided \$24.3 million – 90% – of the equity and Cubic provided the remainder. The debt had a 12-year tenor and was provided by CIBC, MUFG, SMBC, National Bank of Canada, Metropolitan Life Insurance Company, Metropolitan Tower Life Insurance Company, Pensionkasse des Bundes Publica. CIBC also acted as administrative agent and MUFG as collateral agent.

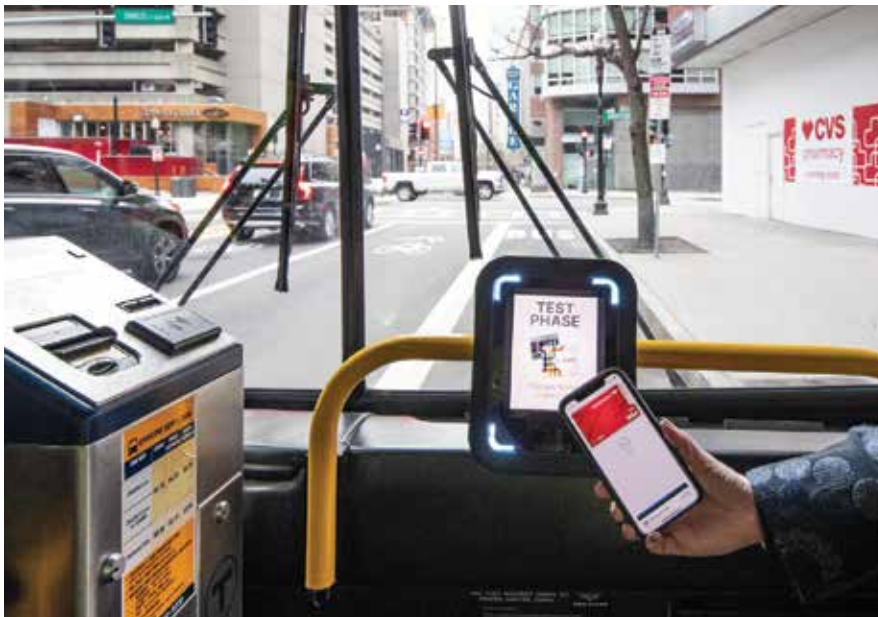
David Wylie, asset director, North America at John Laing, said: "We are delighted with this award from *IJGlobal*. The importance

of this MBTA project to the greater Boston area is significant as it will have a positive impact on the lives of millions of riders in Massachusetts. It is the first P3 in New England, the first P3 for the MBTA and the first P3 for an Automated Fare Collection system.

"The timing of the deal was especially challenging in light of the pandemic, with financial close achieved on 15 June 2020. The team faced financial market liquidity constraints, financial market uncertainties, resourcing constraints, government imposed lock-downs and travel restrictions. The deal team had to pull together to show commercial agility, creativity and count on the strength of their client relationships. It is great to have this hard work recognised with this prestigious award."

Adviser to the sponsors:

- Torns
- Winston & Strawn
- Altus
- BFIN



John Laing is delighted that Massachusetts Bay Transportation Authority (MBTA) – Automated Fare Collection 2.0 Project Reset and Refinancing – has been named North American Digital Infrastructure Deal of the Year by IJGlobal in June 2021.

laing.com

John laing

**MAKING
 INFRASTRUCTURE
 HAPPEN**

North America - digital infrastructure acquisition

zColo Acquisition Financing

The financing package backing DataBank's \$1.4 billion acquisition of zColo's data centre assets has been selected as the winner of the awards for best digital infrastructure, North America.

The debt package consisted of several components:

- \$450 million first lien term loan A
- \$500 million first lien revolver
- \$100 million second-lien term loan

The deal involved the acquisition of zColo's 44 data center facilities across 23 markets, adding to DataBank's existing portfolio of 20 assets.

This "transformative transaction puts DataBank at the forefront of the edge infrastructure wave," enabling clients to move their services closer to end-user populations in second-tier markets, says DataBank.

Given the scope and nature of the acquired assets, the financing required a unique level of collateral review and diligence. The deal also involved staged closing, with the first involving US and UK assets occurring in December 2020



and a second closing involving French assets occurring at a later date to allow for approvals to be processed.

The transaction was funded by an investor group led by Colony Capital, DataBank's controlling shareholder. In addition to leading a consortium of world-class institutional investors to support the acquisition, Colony Capital invested \$145 million from its balance sheet to maintain its 20% stake in DataBank.

Market players involved in the debt package included TD Securities, Société Générale and Truist Bank, TD, Société Générale, CoBank, Regions Bank and Natixis.

With the acquisition of zColo's assets, DataBank offers its customers access to:

- 65 data centres in 29 markets (up from 20 data centres and 9 markets)
- 1.1 million raised square feet of data centre space
- 141MW of installed UPS capacity
- Over 30,000 network cross connects
- 20 major network interconnection points
- 13 cloud nodes

Advisers:

- DH Capital
- Jones Day
- JP Morgan
- Skadden Arps

North America oil & gas deal of the year, US

Whistler Gas Pipeline

The Whistler Pipeline is jointly owned by WhiteWater Midstream, MPLX and a joint venture of West Texas Gas and Stonepeak Infrastructure Partners. The project is for the construction and operation of a 500-mile greenfield natural gas pipeline Texas, connecting the Permian Basin to the Agua Dulce hub, providing direct access to the South Texas markets as well as LNG and Mexican exports.

It was the largest hybrid greenfield project financing on record and the first ever greenfield pipeline project to obtain a Baa3 investment-grade (private) rating from Moody's. It was funded through a combination of equity, term loan, and private placement proceeds.

The unique bank-bond hybrid comprised an \$820 million term loan A, \$110 million in DSR LC facilities, and a dual-tranche \$824 million US private placement.

The majority of the project's 2.0 Bcf/d capacity is contracted through 10 to 12-year transport service agreements with contracted volumes from primarily investment grade counterparties. The Whistler Pipeline has unmatched connectivity to the Delaware Basin with 10 connections in Waha, including indirect connections to 16 gas processing plants through the Agua Blanca system, and to the Midland Basin, via a 51-mile, 36 inch lateral connecting directly to Midland Basin gas processors.

The project's construction schedule necessitated launching the financing at the height of the pandemic with market dislocation exacerbated by the Russia-Saudi Arabia standoff, which generated a negative oil futures environment during the transaction.

Advisers:

- Milbank
- Latham & Watkins
- Sidley Austin
- Lummus Consultants International
- Moore McNeil
- Wood Mackenzie



North American battery storage deal of the year
Bolt Battery Storage

In September 2020, financial close was reached on Bolt Energy Finance's senior secured credit facilities. Bolt is a special purpose entity established by LS Power for the construction and operation of a 490MW battery energy storage system portfolio comprising 3 projects located in California.

LS Power wrapped \$300 million in senior-secured credit facilities and secured the non-recourse funds from a lending quartet comprising BNP Paribas, ING Bank, MUFG and RBC Capital Markets.

The senior-secured credit facilities comprised a 3.3-year \$260 million construction to term loan and a \$40 million revolver credit/letter of credit facility.

The portfolio is made up of the 250MW Gateway, 200MW Diablo, and 40MW Vista projects.

The main drivers for building battery storage are California's aggressive



renewable portfolio standards, emission goals, and abundance of solar power available in the CAISO market. As renewable generators continue to increase as a percentage of California's generation base, increased deployment of battery storage technology is critical to balancing electricity from intermittent resources to ensure grid reliability.

Advisers:

- Shearman & Sterling
- Latham & Watkins
- Lummus Consultants International
- PA Consulting
- Stance Renewable Risk Partners

North American export finance deal of the year
Verizon Communications

Global telecommunications company Verizon Communications closed on 2 corporate financings with Deutsche Bank in June 2020 which included a \$1.5 billion EKN guaranteed (and SEK funded) financing and a \$500m Finnvera guaranteed financing.

Verizon used the financing to purchase equipment in connection with the build out of the 5G network. Verizon had not accessed the ECA supported financing market for several years as it was able to obtain better pricing in the bond market.

However, with the instability in the markets created by the COVID-19 pandemic, Verizon returned to the ECA market with 2 big-ticket financings. These financings demonstrate the importance agency lenders play in the rebound of the financial markets even for investment grade borrowers like Verizon.

At the time of financial close, Joseph Stefano, banking and finance partner in A&O's New York office, said: "These financings illustrate how key ECA backed financings will be to prop up economic

recovery following months of instability in the market. Our team has long supported the quick and seamless execution of unique financings across industries, and foresees this trend to continue as companies react to the fall out of the pandemic."

Advisers:

- Allen & Overy
- DLA Piper
- Vinge



North America power deal of the year, Canada

900MW Cascade Power Project

Alberta based developer Kinetico Resource Corp with joint development sponsors, Macquarie Capital and Ontario-based pension fund OPTrust and project sponsors OPTrust, Axiom Infrastructure and DIF Capital Partners successfully closed financing on the C\$1.5 billion Cascade Power Project in 2020.

Cascade is a 900MW combined cycle natural gas-fired generating facility to be located near Edson, Alberta. Siemens Energy will provide two highly efficient single shaft SCC6-8000H power trains and provide maintenance support under a long-term service agreement. Cascade is strategically situated in proximity to significant gas production as well as the NGTL System and high voltage electrical transmission lines, an important competitive advantage for Cascade.

The project will interconnect to the Alberta Electric System Operator grid via 2 pipelines currently under construction. The transaction featured a C\$834.4 million construction loan and C\$75.6 million of LC facilities that convert to a term loan upon project completion. The financing has a tenor of 7.5 years.

The loan priced at 350bp over CDOR with banks involved including National Bank of Canada, Alberta Treasury Branches, Nomura, MUFG, ING, Siemens, Natixis, Canadian Western and Fiera Infrastructure private debt fund.

Cascade will lead the transition to a lower carbon intensive power grid in Alberta by supporting the province's transition off coal-fired power, generating low emissions electricity that is expected to supply over 8% of the province's average demand.

The transaction is the first gas-fired quasi-merchant power project in Canada, and will be the most efficient gas-fired power project in Alberta.

Cascade was a unique and challenging financing, requiring the combined analysis of the Alberta merchant energy market, three Gas Netback Supply Agreements, and intricately complex term loan repayment mechanics - including fixed principal payments and cash sweeps to meet a target debt balance schedule, as well as an excess cash flow sweep mechanism in later years to mitigate the refinance risk posed by a C\$910 million financing. The project also included involvement from a total of 6 Alberta First

Nations groups which agreed to invest C\$93 million for an equity stake in the project.

While remarkable for its long list of 'firsts' and creative solutions to challenging credit nuances, Cascade's closing was perhaps even more exceptional when scrutinised against the backdrop of a global pandemic, and the market uncertainty that came with it.

Advisers:

- Macquarie Capital Markets Canada
- McCarthy Tétrault
- E3 Consulting Services
- EDC Associates
- Marsh LLC
- Bennett Jones
- Torys
- Osler Hoskin & Harcourt
- Stikeman Elliott
- Davies Ward Phillips & Vineberg
- DLA Piper (Canada)
- Miller Thomson (Calgary)
- Duncan Craig (Edmonton)
- Witten
- Biamonte
- Bailey & Wadden

North American oil & gas deal of the year, Canada

Coastal GasLink Pipeline

Financial close was reached on Coastal GasLink Pipeline's (wholly owned by TC Energy) 7-year C\$6.6 billion senior secured credit facilities in April 2020, representing the most advanced West Coast LNG project in North America.

Concurrent with this, TC Energy sold a 65% equity interest in CGL to affiliates of AIMCo and KKR.

CGL is a 670km pipeline being developed by TC Energy that will, upon completion, have the capacity to transport 6.4 Bcf/d of natural gas from Dawson Creek to an LNG facility in Kitimat, British Columbia.

TransCanada Pipeline, another wholly-owned subsidiary of TC Energy, was mandated by Shell Canada and its partners to design, build, own and operate the project. The project is expected to be in service in 2023, with the capacity fully-contracted to several investment grade shippers.

The transaction involved a widely syndicated lending group consisting of 27 banks participating from North America,



Europe and Asia with sufficient 'dry powder' to support the potential Phase II project expansion. The financing also included a C\$200 million letter of credit.

The construction facility is the largest project finance facility and second largest syndicated facility in Canadian loan market history. Additionally, the interest rate swap executed for the project was the largest in Canadian market history.

Under the deal terms, TC Energy is also committed to working with the 20 First Nations that have executed agreements

with CGL to provide them with an opportunity to acquire a 10% equity interest in the CGL.

CGL is a critical Canadian-based infrastructure asset that will provide feed gas to the country's first west coast LNG export facility. It also represents a critical component of Western Canada's ability to meaningfully realize the value of its vast natural gas resources, while supporting the coal-to-gas energy transition currently underway globally.

Advisers:

- Norton Rose Fulbright
- RBC Capital Markets
- Blakes, Cassels & Graydon
- Lummus Consultants International
- Moore McNeil
- ERM
- Wood MacKenzie
- Operis
- Osler Hoskin Harcourt
- Stikeman Elliott

North American petrochemicals deal of the year – **Alberta Propane Dehydrogenation/ Polypropylene project**

The Alberta Propane Dehydrogenation/ Polypropylene project is one of the largest petrochemical deals to take place in North America. Pembina Pipeline Corporation, in partnership with the Canada Kuwait Petrochemical Corporation, is developing the integrated propane dehydrogenation plant and polypropylene upgrading facility to be operational by mid-2023.



Lenders on the deal were National Bank of Canada, National Bank of Kuwait, The Bank of Nova Scotia, Bank of Montreal, CIBC, Export Development Canada, MUFG, Union Bank and TD Bank.

The project will see the development of a world-scale propane dehydrogenation facility with capacity for the conversion of an estimated 23kbpd of propane into around 550kTa of 99% polymer grade propylene

It would process 23,000 of Alberta propane per day to produce more than 550,000 tonnes of recyclable plastics pellets each year, which would be used for a variety of finished products such as automobiles, medical devices, food packing, and home electronic appliances.

Advisers:

- Latham & Watkins
- White & Case
- Dentons Canada
- Stikeman Elliott

North American power deal of the year, US – **CPV Three Rivers Energy Centre**

Competitive Power Ventures, a developer, owner, and operator of utility-scale power projects, reached financial close on its 1,250MW Three Rivers combined-cycle gas-fired project in Illinois with equity from 4 co-investors and a combination of floating- and fixed-rate debt.

CPV Three Rivers was the first quasi-merchant gas-fired financing to close during COVID-19. The equity investors for the \$1.3 billion project were GE Energy Financial Services, Osaka Gas USA, Axium Infrastructure and Harrison Street. BNP Paribas, Crédit Agricole and MUFG led on the \$875 million construction-plus-5-year debt package, which closed in August 2020.

The project was financed on the basis of several gas-netbacks with undisclosed Canadian gas producers, with tenors of up to 10 years. Once completed, the project's capacity and energy will be sold into the PJM ComEd Zone.

Even though CPV Three Rivers' debt quantum pushed against the size constraints of the bank market, the deal was able to achieve competitive loan pricing initially targeted, without needing to flex, a remarkable achievement given the size of the transaction and the pandemic.

At transaction closing, PJM and the FERC had not yet agreed to rule changes for the annual PJM capacity auctions, which caused the 2 auctions to be postponed. This delay reduced near-term visibility for a significant component of the project's cash flow and raised the question about future auctions. The structuring banks addressed this by requiring contingent equity and accelerated repayment mechanisms if auction prices fall short of forecast.

Advisers:

- Milbank
- Latham & Watkins
- Leidos
- Moore-McNeil
- ESAI
- Riverside
- King & Spalding
- Sidley Austin
- Hunton Andrews Kurth
- Bracewell
- Shearman & Sterling

North American refinancing deal of the year, oil & gas – **Freeport LNG Train 3 Refinancing**

The \$3.4 billion refinancing for Train 3 of the Freeport LNG facility to refinance the existing construction and operation debt, closed in May 2020.

Proceeds of the financing were used to pay down the existing bank debt for Train 3 and hedge termination costs, pay for transaction costs and remaining costs for the completion, ownership, operation and maintenance of the Train 3 facility, and the payment of dividends to the sponsors.

The financing included \$2.4 billion in term loan facilities, a \$750 million future bond tranche term loan facility, \$181 million DSR letter of credit facility and a \$50 million working capital loan. Eighteen banks participated in the financing.



The transaction reduced the project's cost of debt and improved the overall credit profile for lenders. It was executed and closed during the height of COVID-19 market disruption and was only possible due to the strength of banking relationships, high quality sponsorship and conservative financing structure.

Freeport 3 LNG is a 5 MTPA liquefaction facility that is part of the Freeport LNG Development in Quintana Island, Texas. The Freeport LNG Development was originally developed in 2002 and later expanded in 2014 into a liquefaction facility capable of exporting LNG.

The transaction replaced the existing holdco-level debt from May 2018 with opco-level debt in order to optimise the sponsor's financing strategy.

Construction of the project was 99% complete before the transaction closed.

Advisers:

- Kirkland & Ellis
- White & Case
- Societe Generale
- CIBC
- MUFG
- Natixis

North American refinancing of the year, power – **Linden Cogeneration**

The Linden Cogeneration facility in Linden, New Jersey is a 974MW natural gas cogeneration plant made up of 6 units. The first 5 units became operational in 1992, while the sixth came online in 2002. Of the unit, 5 sell their output spot into Zone J of New York-ISO, and the other is contracted with Phillips 66 Co's Bayway oil refinery until 2032 and sells excess output spot into PJM Interconnection.



The company is owned by a consortium of JERA Co, Ares Management Corp, Oaktree Capital, the Development Bank of Japan, and HPJV1 – itself a joint venture between GS EPS and a fund managed by Hana Alternative Asset Management on behalf of Mirae Asset Daewoo.

The owners reached a \$1.1 billion deal with 6 banks (Jefferies, Barclays, Citi, MUFG, BMO Capital Markets, and Investec) to refinance an existing term loan B and pay a dividend to the owners. Jefferies served as the left lead on the transaction, which reached financial close on 1 October.

The term loan will be portable in the event the asset is sold, as long as the buyer already owns gas-fired generation facilities totalling at least 500MW. In addition to the term loan, the refinancing also included a \$100 million 5-year super senior revolving credit facility.

The 7-year term loan B was priced at Libor+350bps (with a 1% Libor floor) and received strong interest from investors during syndication; as such, it was resized from \$950 million to \$1 billion. The deal benefited from being one of the few new infrastructure term loan Bs at the time, meaning the sponsors had the demand for themselves.

Moody's Investors Service and S&P Global Ratings assigned Ba3/BB- ratings to the term loan and Ba2/BB- ratings to the revolver.

Advisers:

- White & Case
- Latham & Watkins

North American refinancing of the year, renewables – **Project Arcadia**

In 2020, TerraForm Power refinanced a portion of a loan through a new senior secured note issuance lent at a 3.38% rate with a tenor of 23 years and 4 months and 9.6 year weighted average life.

TerraForm Power acquired 322MW of commercial and industrial rooftop solar, residential rooftop solar, and fuel cells in the US from subsidiaries of AltaGas in September 2019, paying \$720 million for the assets. The portfolio is among the largest distributed generation portfolios in the US, with a strong presence in core markets and a high level of diversification across 19 states and Washington DC. The deal brought TerraForm's distributed generation portfolio to 750MW.



To fund the initial acquisition of the portfolio in 2019, TerraForm secured a \$475 million non-recourse bridge loan with a 364-day maturity and the option to extend for up to an additional 12 months.

The company raised \$296 million from this refinancing. This transaction was underpinned by operating projects with long-term PPAs extending until 2044 with predominantly investment-grade (or equivalent) federal, municipal or utility counterparties. The 23.3-year maturity took advantage of the full life of the contracted cash flows and enabled the sponsor to lock in interest expenses at current low rates for the long term.

Natixis and the Royal Bank of Canada served as the joint placement agents on the bond financing. The deal closed in September 2020 and was rated BBB- by Fitch.

Advisers:

- Milbank – legal
- Skadden – legal

North American renewables deal of the year, solar – **Highlander**

In July 2020, sPower reached financial close on the \$704 million Highlander Solar, a 620MWdc/485MWac solar project located in Spotsylvania County, Virginia - one of the largest solar projects on the East Coast and the fifth largest in the US.

Highlander Solar consists of 4 staggered project phases with the site located 67 miles from Washington DC and more than 50 miles away from Northern Virginia's 'Data Centre Alley' in the Dulles Technology Corridor, home to the world's largest concentration of data centres.

The non-recourse debt financing consisted of a \$325 million tax equity bridge loan, \$256 million construction to term loan facility, \$61 million term loan facility and a \$62 million letter of credit facility. The financing incorporated a unique strategy focused on pre-development collaboration between off takers and the sponsor.

The deal was executed on a club basis with a group of project finance banks. In the end, 9 banks committed to the transaction. It was one of the first broadly syndicated renewable transactions to be circled post COVID-19 after 2 years of delays and unexpected obstacles - a testament to the company's experience, the quality of the underlying asset, and the support of financing partners.

The project is located within the PJM Interconnection and is supported by seven 15-year PPAs with high-profile, well-rated counterparties including Apple, Etsy and Microsoft, highlighting the growth of data centre and tech demand for sustainable sources of energy.

Once complete, the project will offset about 825,000 tonnes of carbon dioxide emissions per year. In fact, ESG corporate goals were taken into consideration throughout the transaction.

PV modules will be supplied by Jinko, the world's largest module manufacturer, and inverters will be provided by SMA, the world's third largest inverter manufacturer.

Advisers:

- Sheppard Mullin Richter & Hamilton
- Milbank
- DNV GL
- nFront Consulting
- Moore McNeil
- CohnReznick Capital

North American renewables deal of the year, geothermal Geysers Facilities Project

This \$1.1 billion Geysers Facilities Project was a Climate Bond Certified deal that saw the refinancing of assets owned by Geysers Power Company – 13 geothermal power plants in the Mayacamas Mountains region, 75 miles north of San Francisco.

The projects went online between 1971 and 1989, and together the assets are the largest complex of geothermal power plants in the US – responsible for providing almost one-tenth of the renewable power produced in California every year. Its steam resources, interconnected fields and water reinjection capabilities make the Geysers a unique geothermal facility with the capacity to produce 725MW of electricity around the clock.

Calpine Corporation, of which Geysers is a subsidiary, sought to refinance the portfolio to reimburse itself for its equity investment, secure funds for O&M and capital expenditure, and repay corporate and project-level debt. It agreed a refinancing arrangement with 12 banks: MUFG, BNP Paribas, Crédit Agricole, Natixis, Mizuho, National Bank of Canada, Sumitomo Mitsui, SunTrust Robinson Humphrey, CoBank, Rabobank, ING Capital, and DZ Bank.

The financing comprised a \$900 million, senior secured 7-year term loan, a \$130 million RCF and a \$70 million letter of credit. The loan was priced at Libor +200 bps, with pricing scheduled to step up by 12.5 bps every 3 years.

Calpine's attempts to refinance the project were delayed by the Kincadee wildfires in the Geysers geothermal field, which broke out in October 2019, and resultant investor uncertainty. Calpine had initially aimed for a \$2.07 billion, 4-tranche senior secured transaction led by Barclays, but the fire led initial plans to be shelved. Nonetheless, Calpine's pedigree allowed it to maintain investor confidence and secure the new refinancing on a slimmer, simpler basis than the initial proposal.

Advisers:

- White & Case
- Leidos
- Latham & Watkins
- DNV GL

North American renewables M&A deal of the year – Sunrun acquisition of Vivint Solar

Vivint Solar acquired Sunrun, a leading home solar, battery storage and energy services company, in an all-stock transaction valued at \$9.2 billion - the second largest solar deal in 2020.

Founded in 2007, Sunrun pioneered home solar service plans to make local clean energy more accessible to everyone for little to no upfront cost. Sunrun's innovative home battery solution, Brightbox, brings families affordable, resilient and reliable energy.

Sunrun pioneered home solar service plans to make local clean energy more accessible to everyone

Vivint Solar stockholders received 0.55 shares of Sunrun common stock for each share of Vivint Solar common stock they owned immediately prior to the completion of the acquisition. Post-closing, Sunrun had a market capitalisation of around \$17 billion based on the closing prices of Sunrun common stock and an enterprise value of circa \$22 billion on a fully-diluted basis pro-forma. The combined company continues to trade on the Nasdaq Global Select Market under the ticker symbol RUN.

At the time of closing, Lynn Jurich, Sunrun's CEO and co-founder, said: "Together, we will provide affordable, reliable and clean electricity at an exciting new scale. With our compelling services, millions of homeowners will rewire their homes with solar and batteries to enjoy enhanced comfort and affordability. The combined company benefits from broad market reach and differentiated consumer offerings. A lower cost structure from greater scale will accelerate the transition away from polluting and unreliable fossil fuels."

Advisers:

- Simpson Thacher
- Wilson Sonsini Goodrich & Rosati
- Cooley
- Weil Gotshal & Manges
- Gibson Dunn & Crutcher
- Fried Frank Harris Shriver & Jacobson
- Credit Suisse Securities
- Morgan Stanley
- BofA Securities
- Black & Veatch
- Axinn Veltrop & Harkrider

North American renewables tax equity deal of the year – ENGIE Jupiter Wind and Solar Portfolio Tax Equity Raise

The deal saw ENGIE North America negotiate the sale of a 49% stake in its 2.3GW renewables portfolio (Project Jupiter) to Hannon Armstrong Sustainable Infrastructure Capital. The portfolio covers 9 wind projects (totalling 1.8GW) and 4 solar projects (500GW) across ERCOT, MISO, PJM Interconnection, and the Southwest Power Pool. The projects have a wide range of corporate offtakers including Amazon, Microsoft, and Walmart.

The deal will represent a major milestone in achieving ENGIE's goal of 9GW of additional renewable capacity by 2021.

Upon signing the deal, Hannon immediately took its 49% stake in the 4 wind projects that had already come online. The other projects were transferred into the portfolio upon commissioning. When the project is fully complete, it will represent a major milestone in achieving ENGIE's goal of 9GW of additional renewable capacity by 2021.

ENGIE retains a controlling stake in the portfolio and will continue to manage the assets. In April 2020, the company had secured US\$1.6 billion tax equity commitments, bringing the total tax equity commitments for the portfolio to almost US\$2 billion. The size of the portfolio and the magnitude of its tax equity financing demonstrates ENGIE's successful development in this market.

The financing was notable for its single tax equity structure. Financing wind and solar projects together is an unusual step, as the 2 project types typically benefit from different forms of tax credit. This helped make the deal one of the largest portfolio financings of wind and solar projects ever publicly reported.

Gwenaëlle Avice-Huet, CEO of ENGIE North America, said: "This is an important step in our zero-carbon energy transition in the United States, and we are excited to have the support of our strong partners, Bank of America and HSBC in this tax equity financing."

Advisers:

- Bank of America
- Orrick

North American renewables deal of the year, onshore wind

Western Spirit

Pattern Energy's \$1.8bn financing for the Western Spirit Wind was the largest project in New Mexico and the largest single-phase wind projects ever in the Western Hemisphere. Western Spirit was also one of the leading renewable financings to come to the bank market.

The project is comprised of 2 elements, 4 wind projects located in New Mexico with a combined capacity of 1,050MW and a 150-mile transmission line.

The \$1.2 billion construction loan and \$437 million LC facilities were successfully underwritten by 6 financial institutions, with 6 additional lenders joining in an oversubscribed secondary syndication. There was also an \$80 million term loan.

The financing was structured to integrate the transmission line and all the wind generation using the line, which was critical for addressing lender concerns about project-on-project risk.

The project saw innovative strategies employed to overcome a key challenge faced by renewable developers - the lack of existing transmission capacity and the project-on-project risk that often hinders the development of new transmission with generation.

Pattern Energy first acquired the development rights to the Western Spirit transmission line from Clean Line Energy



Partners in 2018. Pattern then negotiated a build-transfer agreement to sell the transmission line to the Public Service Company of New Mexico (PNM) at commercial operation.

The transaction with PNM was the first time that a build-transfer agreement was used for the construction and sale of a transmission line, introducing a structure which could also be replicated for the construction and sale of transmission lines for offshore wind projects in the US. PNM's purchase of the transmission line provided proceeds to repay the construction loans used to build the transmission portion of the Western Spirit project.

The success of the project served as validation of New Mexico's commitment to

become a leader in renewable energy - and the state's recognition that the development of transmission is a key component of that policy goal.

The projects have 2 long-term PPAs, one 20-year PPA with the Southern California Public Power Authority on behalf of the Los Angeles Department of Water and Power and a 15-year fixed-price PPA with San Jose Clean Energy.

Advisers:

- Winston & Strawn
- Skadden
- Milbank

North American social infrastructure deal of the year, energy

University of Iowa Utility System P3

The University of Iowa Utility System P3 is indicative of the growing trend for universities which are looking for ways to raise funds and monetise existing assets to make much-needed energy infrastructure improvements. This deal was the second campus-scale university P3 in the US - following Ohio State University - and one of the largest projects in the entire sector.

The \$1.165 billion P3 project will rebuild the university utility system to provide more efficient steam, cooling, water and electricity over a 50-year concession. The concessionaire will be responsible for the O&M of the electrical systems, steam, domestic water, chilled water, sanitary and storm sewer, high-quality water, utility network maintenance, energy control centre, environmental compliance and related distribution systems serving two campuses.

The O&M component also includes the

procurement of the utility systems' required fuel and energy needs to optimise plant operation, ensure reliability and meet campus demand. This project aligns with the university's goal of being coal-free by 2025.

The concessionaire (ENGIE and Meridiam) issued an A- rated (Fitch) 30-year \$613 million private placement note along with sponsor equity. Banks also provided a \$259.7 million capex facility structured alongside the long-term debt that will be drawn to finance the capex works associated with the capital improvement plan.

The concession at the University of Iowa is particularly significant because it is being driven not only by economic efficiency but also by the University's strongly-held commitment to sustainability and energy conservation. It is a market-leading example

of how an injection of private capital and expertise can assist public institutions in achieving their wider organisational priorities (beyond mere profitability) on time and on budget.

Advisers:

- Allen & Overy
- Shearman & Sterling
- Jones Day
- Hunton & Williams
- Allen & Overy
- Lane & Waterman
- Wells Fargo
- Jacobs
- Barclays
- Norton Rose Fulbright
- E3 Consulting
- Mazars

North American social infrastructure deal of the year, education – **Prince George’s County Schools**

Prince George’s County in Maryland became the first district in the US to finance the construction of 5 new middle schools and one K-8 school through a P3, successfully closing the deal through a private placement in December 2020.

The deal is expected to pave the way for future school deals in North America and is designed to accelerate the delivery of critical school facilities, cutting the delivery time in half with lower construction costs and preventative maintenance, while advancing economic inclusion goals through diverse and local business utilisation.

The winning consortium made up of Fengate Asset Management and Gilbane and Prince George’s County Education & Community issued \$476 million in senior secured notes, rated an initial A2 by Moody’s with a stable outlook.

Following commercial and financial close, PGPCS and PGCECP together announced the creation of a \$1 million endowed fund supporting scholarships, student internships, mentoring opportunities and apprenticeships valued at \$4.7 million, as part of the school system’s Alternative Construction Finance Programme.

PGPCS has the second-largest school system in the state and is among the 20 largest school districts in the US. More than half of the 208 schools are over 50 years old. A large percentage of its buildings need replacement or complete renovation.

Bob Hunt, managing director, public institutions at JLL, said: “This P3 is so special because it is a major step forward in delivering equal opportunities to the students and families of Prince George’s County. Without this agreement in place, it would take more than 15 years for these schools to get funded and built. Of the many learnings uncovered from this year’s pandemic, I think we can all agree on the pivotal role our schools and their faculties play in the lives of our children.”

Advisers:

- JLL
- Altus Group
- Operis Group
- INTECH Risk Management
- Winston & Strawn
- Torsys

North American transport deal of the year, brownfield – **Iowa Interstate Railroad**

iCON V completed the acquisition of a 40% interest in Iowa Interstate Railroad (IAIS) from Henry Posner III in 2020 for \$812.5 million.

Henry Posner III retains a 60% interest in the company, a leading regional freight railroad which owns 412 miles of the 572 miles of track on which it operates between Iowa and Illinois.



Rory Hunter, director at iCON Infrastructure, commented at the time of final signing: “Over the years we have known RDC, we have been continually impressed with their commitment to driving growth at their investments, whilst requiring the highest safety standards and customer service levels. Through this partnership we are excited to support Joe, Henry and the broader team in achieving our shared objective of continuing the strong growth trajectory of IAIS.”

Advisers:

- McKinsey
- Sidney Austin
- KPMG
- Arup
- Ramboll
- Marsh
- Ryan Ratledge
- Convington

North American transport deal of the year, greenfield – **Highway 104**

Nova Scotia’s Highway 104 Sutherlands River to Antigonish Twinning project was the first highway P3 project in Nova Scotia in over 20 years and the first P3 project to reach financial close in the midst of highly volatile financial market conditions caused by the pandemic.

The 63km long highway was procured by the Nova Scotia Ministry of Transport and Infrastructure Renewal as a long-term DBFOM project. The twinning of this stretch of Nova Scotian highway, from the boundary with New Brunswick to Antigonish, has been a significant community concern for years to help reduce fatal collisions.

The project closed during the peak of the first wave of the COVID-19 pandemic at a time when bond markets were in turmoil. However, due to cooperation and flexibility from all parties including government, bank lenders and bond underwriters/purchasers to close the project, the financing closed with a senior construction facility from CIBC, National Bank of Canada and Royal Bank of Canada and an offering of both medium-term and long-term bonds undertaken by National Bank Financial and HSBC Securities (Canada).



The debt financing included 2 long-term bond tranches, which took advantage of a flat yield curve to provide maximum value for money to the authority. The consortium building the highway is Dexter Nova Alliance GP and is made up of BBGI (50%), Dexter Construction (30%) and Nova Construction (20%).

In light of the COVID-19 pandemic, the project agreement included customised force majeure relief for epidemics and pandemics during the construction period.

Advisers:

- Blake, Cassels & Graydon
- Aird & Berlis
- BoyneClarke
- Stewart McKelvey
- Farris
- BTY Group
- National Bank Financial
- EY

North American water deal of the year
San Antonio Water Vista Ridge P3 Refinancing



Vista Ridge refinanced its existing \$875 million senior secured bank construction debt facility incurred following completion of the Vista Ridge Regional Water Supply Project. The refinancing of the project's construction debt took the form of a private placement.

Vista Ridge together with its co-issuer, Central Texas Regional Water Supply Corporation (CTRWSC), issued over \$1 billion of senior secured fixed rate notes. The amortizing notes have a final maturity date of October 2049, leaving a tail of 6 months until expiry of the term.

In addition to the private placement, the companies entered into a working capital facility with Societe Generale to fund the noteholders' debt service account and to provide an additional source of working capital for the project.

The transaction was rated A by Fitch with around 30 investors participating in the

Vista Ridge together with its co-issuer, Central Texas Regional Water Supply Corporation (CTRWSC), issued over \$1 billion of senior secured fixed rate notes

offering, which was over 6x oversubscribed. JP Morgan was the lead placement agent while SMBC, ING, and Societe Generale served as placement agents.

The project is majority owned (75%) by an investment vehicle managed by Ridgewood Infrastructure. Majority ownership occurred in August 2020 when Ridgewood acquired Garney P3, the majority equity stakeholder at 51%. San Antonio is located in an arid area of Texas,

with much of the city residing in a drought prone area. The Vista Ridge Regional Supply Project provides an essential water resource to this growing, previously water-constrained city.

The project consists of a 142-mile water transmission system that gathers and transports perpetually leased raw groundwater from Burleson County, Texas to deliver up to 53,000 acre-feet of water per year to the City of San Antonio (the City).

Advisers:

- White & Case
- Winston & Strawn
- Hawkins Delafield & Wood
- Jones Day
- Mazars
- Milbank
- Marsh



IJGlobal Awards 2020
 North America Water deal of the year
WINNER

Essential infrastructure in the U.S. lower middle market.



Ridgewood Infrastructure

IJGlobal Awards 2020



Latin America winners

Early in 2020 as the coronavirus pandemic was building a head of steam, few people would have believed that so many infrastructure and energy deals could have been driven on to financial close – but that's what happened.

Latin America was no exception to this trend as working from home made some wonder whether we ever need to return to the office!

Our thanks go out to those who made the effort to submit for the IJGlobal Awards this year as we raise an editorial hat to the industry.

Congratulations all...

Winners in the Latin America transaction category are:

- Editor's Choice Latin America – **EnfraGen**
- Latin American airport – **Lima Airport**
- Latin American digital infrastructure – **Scala Data Centers**
- Latin American export finance – **Amadeus JV**
- Latin American highway – **Autopista Urbana Norte**
- Latin American LNG-to-Power – **Marlim Azul Financing**
- Latin American mining – **Project Serrote**
- Latin American oil & gas – **Cakua Offshore Gas Compression Station**
- Latin American power – **Enfragen refinancing**
- Latin American power refinancing – **AES Panama refinancing**
- Latin American power transmission – **Alupar Transmission Line**
- Latin American renewables refinancing – **INTI**
- Latin American social infrastructure – **Infraestructura Educativa II**
- Latin American transport refinancing – **Project Alma**
- Latin American water – **Sabesp**
- Latin American renewables – **Javiera/Sol del Desierto US private placement**
- Latin American transport vehicles – **Project Condor**

Editor's Choice Latin America - EnfraGen

Editor **Ila Patel** selected the refinancing of EnfraGen's existing debt for the Editor's Choice Award for Latin America

The refinancing of EnfraGen's existing asset-level debt for its project companies in Chile, Colombia and Panama represented a landmark multi-jurisdictional transaction for Latin America due to the sheer size and complexity of it. The financing also represented the largest debt deal in the power sector in the region which will allow for future acquisitions of operating assets.

EnfraGen – a developer, owner, and operator of grid stability and renewable energy infrastructure businesses in Latin America – is jointly controlled by Glenfarne Group (50%) and Partners Group (50%), with operational and in-construction assets totalling over 1.8GW of installed capacity.

The deal was submitted numerous times in the refinance category and warrants special recognition not just for the refinancing, but for EnfraGen's mission to support zero-carbon emission electric grids, while stabilising electricity pricing and access in Colombia, Chile, and Panama, delivering both environmental and social benefits.

When discussing the company awards with *IJGlobal's* independent panel of judges, this transaction was highlighted on numerous occasions as part of company submissions with many commenting that they "wished they'd had the opportunity to work on such a complex, multi-jurisdictional transaction".

It also marks EnfraGen's largest financing to date and official debut in the capital markets, allowing the sponsor to meet short to medium term objectives of refinancing its entire portfolio and further support its growth strategy in Latin America.

The refinancing took place in December 2020 and comprised a \$710 million 144A/Reg S 10-year project bond offering and an oversubscribed 5-year \$1.05 billion bank debt package with 8 joint lead arrangers. The banks and their roles were Societe Generale (JLA and joint bookrunner), JP Morgan (JLA), BNP Paribas (JLA and joint bookrunner), Scotiabank (JLA), Mizuho (JLA and joint bookrunner), Intesa Sanpaolo (JLA and joint bookrunner), SMBC (JLA and joint bookrunner) and MUFG (JLA and joint bookrunner).

Following the refinancing, the portfolio will be expanded through the acquisition of a 152MW solar portfolio in Chile and a 241MW brownfield CCGT in Colombia



JP Morgan and Scotiabank also acted as global coordinators on the senior secured notes.

BNY Mellon was mandated as trustee, registrar, and paying agent for the bonds, as well as offshore collateral agent and account bank for the entirety of the issued debt.

The 144A/RegS project bonds were the first in the market to be done in parallel to a bank financing which required extensive coordination across multiple business lines. The bonds received a split rating (BA3/BBB-) with a coupon of 5.375%.

Assets owned by EnfraGen are:

- a 610MW gas-fired plant (CCGT) in Colombia
- 4 operating thermal plants (309MW), 5 thermal plants under construction (475MW), and 1 solar plant (9MW) in Chile
- 3 operating hydro power plants (30MW) in run-of-river hydro assets in Panama

Following the refinancing, the portfolio will be expanded through the acquisition of a 152MW solar portfolio in Chile and a 241MW brownfield CCGT in Colombia.

The cash flows for the portfolio are secured by stable capacity payments from regulators in Chile and Colombia and from PPAs with local utilities in Panama. In Colombia, the company expects to earn energy revenues during times of low hydrology which peak during El Niño cycles.

Efficient preparation and coordination allowed the sponsors to take advantage of the strong credit market conditions after the US elections and promising developments after the roll-out of the Covid-19 vaccine. ■

Advisers:

- Paul Hastings
- Hogan Lovells
- Millbank
- Millbank
- Gómez-Pinzón Abogados
- Claro
- Arias Fábrega & Fábrega (Arifa)
- Philippi Prietocarrizosa Ferrero DU & Uría (PPU)
- Sigma
- Mazars

Latin American airport

Lima Airport

The refinancing of Jorge Chávez International Airport in Lima was chosen as the winner of the Latin American airport deal of the year to refinance its existing debt and complete the final stage of its expansion programme.

The airport is operated by Lima Airport Partners (LAP) with a 30-year concession that began in 2001. LAP is a consortium majority-owned by Fraport, with the IFC holding a minority stake.

The refinancing saw LAP acquire a \$450 million bridge loan from a consortium of 4 banks – BBVA, KfW IPEX-Bank, Scotiabank and SMBC – with financial close on 11 September 2020. The tenor of the bridge loan was 1 year. Scotiabank Peru acted as the administrative agent and SMBC served as the mandated lead arranger.

The loan allowed the airport to avoid further delays to its ongoing expansion programme, which has proceeded despite the uncertainties caused by the pandemic. Lima Airport is a vital strategic hub in both Peru and Latin America, serving more than 50 overseas cities through 15 airlines.

The funding supported the construction of a second runway and a new air traffic control tower, which are scheduled for completion in July 2022. These works are part of the airport's long-term expansion plan, which will eventually see it open a second terminal and accompanying apron by January 2025.

Matthias Zieschang, CFO at Fraport, said after the deal was signed in September 2020: "This excellent transaction is of paramount significance for the development of Lima Airport. Secured in a very challenging environment, this financing agreement sends out a strong and positive signal about Lima Airport Partners and the entire Fraport Group.

"Furthermore, the transaction underscores the strong interest and demand from capital markets for financing well-managed airports that have a long-term and positive perspective – such as Lima Airport Partners with its major South American hub airport."

Lenders, advisers:

- Garrigues Peru – legal (local)
- Milbank – legal (NY)

LAP advisers:

- Rodrigo Elías Medrano – legal (local)
- Paul Hastings – legal (NY)
- SMBC – financial

Latin American digital infrastructure

Scala Data Centers

In 2020, Digital Colony expanded its presence in Latin America by launching Scala Data Centres and winning Latin American digital infrastructure deal of the year.

Digital Colony established Scala Data Centers in April 2020, following the acquisition of assets from UOL Diveo. The hyperscale data centre platform in São Paulo is amongst the largest in the country. Shortly after acquiring its initial assets from UOL Diveo, Scala began construction of a third data centre in São Paulo which, when combined with existing facilities, will bring the company's total data centre capacity to 50MW.

Through this transaction, Digital Colony seeks to build a digital infrastructure platform in Brazil that can scale efficiently through organic development and acquisitions. UOL Diveo will continue to partner with Scala to scale its own digital infrastructure requirements.

Cloud growth, IT outsourcing and the adoption of new technologies such as 5G are all projected to drive continued growth in demand for quality data centres that can support the next generation of mobile and internet connectivity. This has created a multibillion-dollar digital infrastructure opportunity in the region for companies which can support these trends and meet the demands of global customers.

The launch of Scala is part of Digital Colony's broader efforts to expand its presence in Latin America, an underserved market for outsourced data centres. Digital Colony previously acquired Highline do Brazil from Patria Investments in December 2019, and the deal was its fourth investment in Latin America. The company also owns Andean Telecom Partners, active in Peru, Chile and Colombia; and Mexico Telecom Partners, one of the country's largest private tower companies.

Marcus Piego, CEO of Scala, said at the time of announcement: "Scala's Latin American investment strategy is highly compelling, and its quality data centres will enable the next generation of mobile and internet connectivity throughout the region."

Advisers to UOL Diveo:

- DH Capital – financial

Latin American export finance

Amadeus JV

The US\$1.8 billion Amadeus project in Brazil was an excellent example of client delivery in the midst of a global pandemic, winning it export finance deal of the year in Latin America.

The \$1.8 billion project in Minas Gerais, Brazil involves the construction of one of the world's largest dissolving wood pulp (DWP) plants, with a production capacity of up to 500,000 tons of dissolved wood per year. It also includes a 144MW cogeneration plant and the management of 70,000ha of eucalyptus plantations. The project will reduce greenhouse gas emissions by about 0.65 million tCO₂ per year.

The Amadeus project is being developed by LD Celulose (LDC), a joint venture between Lenzing and Duratex. LDC agreed a \$1.1 billion financing package with IDB Invest, the IFC, and 7 international commercial banks guaranteed by Finnvera (Banco Santander, BNP Paribas, Commerzbank, Erste Group, HSBC, KfW IPEX-Bank, and Raiffeisen Bank). The funds cover the remaining financial needs of the industrial plant and 63% of the total capex, with the sponsors providing the balance.

IDB Invest and the IFC each provided loans of \$500 million with maturities of 9 and 11 years, whilst international banks provided around \$147 million with maturities of 13 years.

The transaction was one of the largest in Latin America this year and will raise sustainability standards for the Brazilian pulp industry and the forest management sector. The cogeneration plant will produce bioelectricity from byproducts of the industrial process, in turn increasing the share of sustainable biofuels and renewable energy in the Brazilian energy matrix. Around 40% of the excess bioelectricity generated can be used to supply the local public energy system.

The project has been responsible for the creation of thousands of jobs and the development of the region, reinforcing the prominent position of Brazilian industry in the cellulose sector. Construction began in May 2020, with the project expected to come online in 2022.

LDC advisers:

- Machado Meyer Advogados – legal
- Linklaters – legal

IDB, IFC and Finnvera advisers:

- Allen & Overy – legal
- PGA – legal
- Pinheiro Guimarães – legal

Latin American highway Autopista Urbana Norte

The refinancing of existing debt for the Autopista Urbana Norte project was selected as the winner the Latin American highway deal of the year.

The Autopista Urbana Norte is a special purpose vehicle for Aleatica, which won the 30-year concession to operate the toll road linking the Mexico City Periferico with the Viaducto Bicentenario in 2010. Aleatica, owned by the IFM Global Infrastructure Fund, has a broad portfolio of transport infrastructure in Mexico, Peru, Colombia, Chile, Spain, and Italy.

Aleatica refinanced its existing debt on the Autopista Urbana Norte through a project finance agreement with Banco Santander, Banobras and Banorte, which reached financial close on 27 March 2020. Santander acted as the mandated lead arranger and as the collateral agent for the deal.

The MXN 7.05 billion (\$293.8m at the time of negotiation) deal was structured into two tranches: Banobras and Banorte participated in the first tranche (given in MXN for two thirds of the total cost), whilst Santander took part in the second (given in UDI for the remaining third). The tenor of the new loan is 5 years, lasting until March 2025.

For Aleatica, the deal allowed the company to reduce its financing costs whilst waiting for bond markets to improve. The refinancing allowed it to reach an early payment with its existing creditors (BBVA Bancomer, Banobras, and Fonadin) and provided a cashout opportunity for Aleatica.

The deal positively impacted both Urbana Norte's financing costs and Aleatica's asset portfolio, which includes over 300km of roads in Mexico alone. It was also received positively by the lenders, being one of Santander Mexico's most profitable structured finance operations.

Autopista Urbana Norte advisers:

- Mijares, Angoitia, Cortes y Fuentes – legal
- ADS Financial Planning – financial

Banco Santander, Banobras and Banorte advisers:

- Greenberg Traurig – legal
- EY – financial
- Idom – technical

Latin American LNG-to-Power Marlim Azul Financing

A financial investment decision was announced in January 2020 for the Marlim Azul natural gas-fired thermoelectric power project.

BNDES provided non-recourse long-term financing for Vale Azul II, a 565MW combined cycle power plant in Macaé, Rio de Janeiro. The total value of the deal is around R\$2.6 billion (\$515m), with debt and equity of about R\$2 billion (\$396m). The loan serves both to finance construction costs and to repay a bridge loan of R\$97 million (\$19m) provided by SMBC.

The project is sponsored by Marlim Azul, a consortium of Patria Investments (50.1%), Shell (29.9%), and MHPS (20%). It is Shell's first foray into the Brazilian energy sector, having initially joined the project as a gas provider.

The plant will be the first thermal power plant to consume natural gas from the pre-salt fields in Brazil and is expected to commence operations in 2022. The total cost of the project is estimated at \$700 million.

BNDES agreed to provide R\$2 billion (\$490m) to the project over 24 years. The financing is secured in several ways: the fiduciary assignment of the project's credit rights; equity support obligations granted by the borrower's shareholders; mortgage of real estate owned by the borrower; pledge of the borrower's shares; pledge of the project's equipment; and letters of credit issued by the bank guarantee providers (Bradesco, Banco do Brasil, Votorantim and SMBC).

At the time of the agreement, Marlim Azul Energia CEO Bruno Chevalier said: "The contract with BNDES is an important step in the development of a project that will make a decisive contribution to the consolidation of the new gas market, making the market and prices more competitive. We are making energy generation from Brazilian pre-salt gas a reality."

Advisers to Marlim Azul Energia:

- Machado Meyer Advogados – legal

Advisers to the banks:

- Stocche Forbes – legal
- Mattos Filho, Veiga Filho, Marrey Jr e Quiroga Advogados – legal

Financial advisers:

- SMBC
- Bradesco

Latin American mining Project Serrote

The Serrote copper-gold project is an advanced stage, de-risked greenfield open-pit copper-gold asset with financing successfully executed despite challenges that arose during the height of the pandemic.

The project is owned by Mineração Vale Verde (MVV) and sponsored by Appian Capital Advisory, an investment fund focused on mining. MVV secured a \$140 million debt financing from a consortium of 4 banks – ING Capital, Natixis and Societe Generale – for the development, construction, completion, ownership, and operation of the open pit copper mining project in Alagoas, Brazil.

The refinancing will cover all remaining development costs for the project, which will eventually produce around 20,000 tonnes per annum of copper equivalent over a projected 14-year lifetime. This will supply a processing plant with an annual capacity of 4.1 million tonnes of copper concentrate. First production is expected in the second half of 2021.

This deal was one of the largest greenfield mining project finance transactions since the beginning of the pandemic and reached financial close on 1 February 2021. As part of the overall package, Appian Capital will acquire a royalty over a portion of the project's gold by-product production.

Paulo Castellari, CEO of MVV said once the project reached financial close: "I am pleased that we have been able to secure this financing for Serrote, which finalises the overall funding package and will support completion of project development and delivery of first production. It is an important development which recognises the continued progress and key milestones achieved to date and highlights the attractiveness of this high-quality copper-gold deposit.

"The tremendous progress we have made during the pandemic is also testament to the hard work and determination of our employees, and I look forward to bringing Serrote into production on schedule and in line with budget."

Mineração Vale Verde advisers:

- Fialho Salles – legal (local)
- Norton Rose – legal (foreign)
- Endeavour Financial – financial

Lender advisers:

- Mattos Filho Advogados – legal (local)
- White & Case – legal (foreign)

Latin American oil & gas

Cakua Offshore Gas Compression Station

The Cakua Offshore Gas Compression Station is a strategic project for the Mexican government and increasing oil production is a key objective for President Lopez Obrador's government.

The project, located in the Ku-Maloob-Zaap oil field in Campeche, Mexico, is being delivered by Cakua – a special purpose vehicle majority-owned by subsidiaries of the ACS Group (Dragados Offshore de México, Dragados Offshore, Cobra Instalaciones y Servicios, Dragados Industrial and Avanzia Instalaciones) with a 95% stake. The remaining 5% share is owned by CKA1 Holdings, a fully owned entity of Atlantica Yield.

Cakua reached an agreement with 110 banks – Bancomext, Bank of China, Banobras, Intesa Sanpaolo, ING, Mizuho, MUFG Bank, Nacional Financiera, Norinchukin Bank, and Societe Generale – for the \$404 million 10-year senior secured financing. The funds will partially refund Cakua's development costs, refinance existing bridge loans, and fund the remaining costs of the project. The total value of the deal is \$630 million, and the total equity is \$146 million.

The project involves the construction of 4 turbo compressor units and 3 turbo generators with a daily processing capacity of 450MMCF. The mechanical and process design for the gas compression station was designed to compress sour gas to be reinjected to assist oil and gas extraction.

The Ku-Maloob-Zaap field currently produces around 750,000 barrels of oil per day and represents around 50% of the country's crude oil production. The current Mexican government under President López Obrador has pledged to increase oil production by 1.0MMbpd by 2024, after Pemex's production halved between 2004 and 2019.

The field itself is owned by PEP, which fully contracted the project under an 11-year take-or-pay Compression Services Agreement. Dragados Offshore México is responsible for engineering, procurement, construction, installation, operations, and maintenance.

Advisers to Cakua:

- Garrigues – legal

Advisers to the lenders:

- Allen & Overy LLP – legal
- Ritch Mueller – legal

Other advisers:

- Black & Veatch Management Consulting - independent engineer
- AON - insurance adviser
- PwC - model auditor
- Netherland Sewell & Associates - reserves report

Latin American power transmission

Alupar Transmission Line

The groundbreaking Alupar Transmission Line was the first international project financing of a transmission line in Colombia, winning power transmission deal of the year.

The deal supported Transmisora Colombiana de Energía (TCE) – a subsidiary of Alupar – in the development of a new 235km, 500kV transmission line which will expand the company's generation capacity by 30MW, bringing it to a total installed capacity of 460MW.

Alupar reached a \$163.5 million mini-perm with 2 banks for the project. MUFG provided \$138.5 million, whilst the remaining \$25 million came from Banco Sabadell. The tenor of the loan is 7 years, and the total equity for the deal is \$250 million. This transaction was the first international project financing of a Colombian transmission line, and it was negotiated almost entirely virtually.

The new line, which includes 2 connection terminals, will run between La Virginia and Nueva Esperanza, crossing the departments of Risaralda, Cundinamarca, Tolima, Quindío and Valle del Cauca. When complete, the project will provide electricity to over 2 million households.

Alupar won the contract to build the project in November 2016 after a tender organised by the country's Mines and Energy Planning Unit (UPME); the company bid \$182.7 million and projected an opening date of 30 September 2020. Alupar beat rival bids from Interconexión Eléctrica and Empresa Energía de Bogotá, both Colombian companies.

The new transmission line is part of Alupar's widening portfolio in Colombia. The company's existing assets include Risaralda Energía – operator of the 19.9 MW Morro Azul hydro project, which was brought online in September 2016. The La Virginia – Nueva Esperanza line is the company's first transmission asset in Colombia, complementing its existing transmission assets in Brazil.

Advisers to Alupar:

- Norton Rose Fulbright – legal
- Leite, Tosto e Barros – legal
- Brigard Urrutia – legal

Advisers to the lenders:

- Holland & Knight – legal
- Milbank – legal
- Structure Banca de Inversión – financial

Latin American renewables refinancing – INTI

INTI was selected as renewables financing deal of the year in Latin America, a transaction that successfully closed in the midst of the pandemic. The 3 Peruvian solar assets – Tacna, Panamericana, and Moquegua – were originally financed by the Development Finance Corporation and were among the first solar projects awarded PPAs in the country in the early 2010s, with a generation capacity of 68MW. Each project has a 20-year, dollar-denominated PPA with the Peruvian government for 100% of the project's electricity generation.

The \$225 million refinancing was negotiated with BNP Paribas, SMBC, and Societe Generale. The 3 assets were refinanced simultaneously with the 3 banks, having originally been financed through separate financing lines due to local legal constraints. Structured on a club deal basis, the refinancing amounted to \$225 million across a 12- to 14-year fully amortising term loan and a 7-year DSRA LC.

The refinancing improved considerably on the initial terms reached with DFC. This work resulted in a lower DSCR, extension of tenors, lower pricing and replacement of cash funded debt reserves with DSCR Letters of Credit. The 12-year tenor of the new financing also matches the remaining lifetime of the PPAs signed with the Peruvian government. At the time of the deal, Solarpack said that the refinancing freed up \$29 million, to be reinvested into the company.

The deal allowed the 2 companies to refinance the original debt to DFC entirely with private sector funding, taking advantage of banks' increased appetite for PPAs in the country. In this regard, the transaction is a concrete example of the development of the project finance market in Latin America since the project was first developed a decade ago.

Advisers to Solarpack and Ardian:

- Rodrigo Elias & Medrano Abogados – legal (local)
- Clifford Chance – legal (international)
- Astris Finance – financial

Advisers to the lenders:

- Garrigues Peru – legal (local)
- Milbank – legal (international)

Advisers to the collateral agents:

- Estudio Echecopar/Baker McKenzie – legal (local)
- Hinckley Allen – legal (international)

Technical advisers:

- DNV GL
- Grupo Mercados Energeticos Consultores

Latin American social infrastructure

Infraestructura Educativa II

IDB Invest supported Uruguay's education sector by providing a loan to help upgrade a schools package at a time when these types of projects are experiencing credit restrictions due to the pandemic.

IDB Invest provided a \$25 million loan to Infraestructura Educativa II, a consortium comprised of Berkes, Saceem, and Stiler, to support the design and construction of new educational and sporting facilities in Uruguay. The company previously received loans from the CAF, both directly and through its CAF AM II Debt Fund.

The total cost of the deal, including the participation of other co-financing banks, was \$97 million. Both loans were provided in indexed units and the first disbursement was made on 26 March 2021.

In 2018, Infraestructura Educativa II won a 22-year concession – jointly awarded

by the National Administration of Public Education (ANEP) and the Uruguayan Institute for Children and Adolescents (INAU) – for the design, construction, and maintenance of 42 public educational and sports centres in Uruguay. This includes 23 schools, 9 technology centres, and 10 sports centres, with construction to be completed within 36 months. The project will provide educational facilities and research services for a total of 4,500 children across 16 of the country's 19 departments.

The concession is part of the country's wider strategic plan to develop its educational infrastructure, which will eventually involve 4 PPPs. The programme aims to promote full-time education in unfavourable socio-economic contexts, improve school conditions, and provide

a greater selection of technical and polytechnic schools. Moreover, the construction of new sporting infrastructure will benefit adult communities in the vicinity of the new facilities. Many of the new centres also incorporate the necessary infrastructure to generate their own hot water through solar energy.

Advisers to Infraestructura Educativa II:

- Guyer & Regules – legal

Advisers to IDB Invest:

- Allen & Overy – legal
- Ferrere Abogados – legal
- TA Europe – technical

Latin American power refinancing

AES Panama refinancing

AES Panama used the proceeds of term loans and notes to fund back-to-back loans to various operating companies in Panama. These funds were then used to repay and refinance existing debt to free up financing for new projects.

AES Panama was created for the purpose of refinancing the AES Corporation's diverse portfolio of power generation assets in the country, which includes technologies such as hydro, wind, solar, and LNG. The portfolio stands under several separate legal vehicles, each of which has a different partner, creating challenges in refinancing.

The deal met these challenges by refinancing \$1.5 billion of existing debt and capital expenditures through the creation of the Panamanian finance affiliate, which issued \$1.38 billion of 10-year notes at 4.375% and obtained both a \$105 million 3-year loan and a \$50 million revolving credit facility. 5 banks took part in the refinancing: Citigroup, JP Morgan and Scotiabank (as global coordinators) plus Banco General and Credit Suisse (as joint bookrunners).

This creative refinancing created a funding vehicle that acted as an issuer of debt, passing downstream proceeds of the issuance to each of the operating companies through intercompany loans. The loans provide limited guarantees as to the amount of debt allocated, thus respecting the different ownership structures. Nonetheless, AES pledged its equity interest in the form of dividends from

each of the operating companies, allowing investors to participate in a structure that provided them with a mix of technologies and a natural hedge in their exposure by combining renewables and LNG.

The strength of the structure, together with the high quality of the assets within the portfolio, led to a rating of BBB- from Fitch and Baa3 from Moody's.

The transaction allowed AES in Panama to simplify its capital structure, positioning itself to respond more efficiently to market demands and serving client needs more rapidly whilst reducing costs by almost 200bps per year. The deal was a historic one for Panama, as the largest bond issuance made by a private entity in the country and indeed the whole of Central America.

Miguel Bolinaga, CEO of AES Panama, said: "We feel very pleased with the results obtained with the refinancing; and for the benefits it presents to our company; this billion dollar transaction reaffirms our commitment to the country and highlights the important position of Panama in the world as a country for investments"

Jeff Mackay, CFO of AES Mexico Central America & Caribbean, said: "This transaction used innovative structuring to aggregate a number of very diverse AES operating businesses and to create a synthetic portfolio that enabled us simplify our balance sheet across all our Panamanian subsidiaries and to capture financial efficiencies that were not otherwise available."

"This refinancing enabled us to create a more flexible capital structure in our businesses that will support our continuous growth strategy on renewables and LNG for the AES portfolio in Panama. We worked together with the banks and counsels on this transaction for several months to ensure that the final product of the financing captured the needs of our on-going operations while providing the necessary protection to investors"

Oscar Batres, AES Mexico Central America & Caribbean Treasurer, said: "Our portfolio proved to be an attractive alternative for investors, at it showed how resilient our operations are despite the Covid effect. We were able to attract more than US\$5 billion from high quality investors across the globe. In addition, the element of having the issuance registered in the Panama Stock Exchange, enabled us to capture local demand in the order of around US\$500 million."

Advisers to AES Panama:

- Alcogal – legal (local)
- Clifford Chance – legal (international)

Advisers to the lenders:

- Arifa – legal (local)
- Shearman & Sterling – legal (international)



AES in Panamá placed the largest Corporate Bond Issuance in the Central American and Caribbean region

AES in Panama has achieved a historical milestone by placing USD \$1,380 Million in Senior Secured Notes with a coupon rate of 4.375% for a period of 10 years; making this transaction the largest issuance in the international capital markets by a private entity in the Central American and the Caribbean region.

With the help of local and international banks, along with the support of the Superintendencia del Mercado de Valores de Panamá, the transaction was incorporated and placed through the Bolsa de Valores de Panamá and the Singapore Stock Exchange. This transaction helps to dynamize the local market, positioning Panama as a hub for this kind of international operations

Latin American power

Enfragen refinancing

The EnfraGen refinancing marked the first energy transition portfolio in Latin America which used a bank and bond debt financing package.

EnfraGen – a developer, owner, and operator of grid stability and value-added renewable energy infrastructure businesses across Latin America – secured a \$1 billion debt package and issued a \$710 million bond offering to refinance existing debt and fund near-term growth opportunities.

The debt package was issued by 8 banks: BNP Paribas, Intesa Sanpaolo, Mizuho, MUFG, SMBC, Societe Generale, JP Morgan and Scotiabank. JP Morgan and Scotiabank served as global coordinators and Mizuho acted as the administrative agent.

EnfraGen is jointly controlled by Glenfarne Group and Partners Group, with operational and in-construction assets totalling over 1.4GW of installed capacity. Its portfolio includes the Termoflores gas-fired power plant in Colombia, 784MW of diesel gensets in Chile, and 30MW of hydro assets in Panama. These assets are

arranged under 2 of EnfraGen's subsidiaries (Prime Energia and Fontus Hydro).

The cash flows for the portfolio are anchored by stable capacity payments from regulators in Chile and Colombia and from PPAs with local utilities in Panama. In Colombia, the company expects to earn energy revenues during times of low hydrology which peak during El Nino cycles.

The refinancing of EnfraGen was a landmark deal for the region because of its size and complexity: the transaction financed a multi-jurisdictional pool of assets across varying classes, including limited construction risk. Moreover, the financing was one of the first ever 144A/RegS project bonds to be done in parallel to a bank financing, which required extensive coordination across multiple business lines.

The financing is a transitional facility for EnfraGen, including traditional project financing terms whilst providing for capital in support of potential future acquisitions. As such, it provides an ongoing opportunity for increased portfolio diversification and scale.

Advisers to Enfragen:

- Paul Hastings – legal
- Claro & Cia – legal
- Gomez-Pinzon Abogados – legal
- Sigma – legal
- Hogan Lovells – legal

Advisers to the lenders:

- Milbank – legal
- Garrigues – legal
- Philippi Prietocarrizosa Ferrero DU & Uria – legal
- Arifa – legal

Other advisers:

- Black & Veatch – Independent engineer
- PHC Servicios Integrados Group – Colombian market consultant
- Mercados Energéticos – Panama market consultant
- Systep Ingeniería y Diseños – Chile market consultant
- Mazars – model auditor

Latin American transport refinancing

Alto Magdalena (Project Alma)

The current credit environment provides unique opportunities for sponsors and developers in Latin America to refinance their existing debt at much lower rates. More 4G projects are expected to complete construction resulting in sponsors seeking liquidity in preparation of upcoming 5G projects.

Project Alma consists of the construction, rehabilitation, improvement, and operation of the 190km Honda - Puerto Salgar - Girardot corridor. The concessionaire is a consortium made up of Constructora MECO (30%), MHC Ingenieria y Construccion de Obras Civiles (30%), Pavimentos Colombia (30%), and Ingenieria de Vias (10%). As part of the contract, the company improved 167km of existing toll roads and constructed an additional 23km of new highways.

Initial construction was financed through a \$314 million deal consisting of three tranches of debt (a COP tranche, a UVR indexed tranche and a USD tranche provided by Grupo Aval banks and Cabele respectively).

After the project became operational



in July 2020, the company secured refinancing with 5 banks: Ashmore Debt Fund – CAF, Banco de Bogotá, BlackRock, Financiera de Desarrollo Nacional, and SMBC (participating in association with MUFG). The deal was valued at \$510 million.

This refinancing consisted of a US\$164.5 million senior dollar credit facility, a COP 1.2 trillion senior Colombian peso facility, and a COP 115 billion subordinated Colombian peso facility.

This deal was an important first for the Colombian transport sector in several ways. In 2014, Concesión Alto Magdalena became the first concessionaire to win a contract in Colombia's 4G highway

programme – the largest infrastructure initiative in Colombian history. Likewise, this project was the first of the 4G contracts to reach the refinancing stage.

Luis Maria Clouet of Clifford Chance, who advised on the deal, said: "The refinancing of Alto Magdalena [...] will likely open the door to similar corporate M&A and refinancing opportunities in Colombia. The current credit environment provides unique opportunities to sponsors and developers in Latin America to refinance their existing debt at much lower rates."

Advisers to Project Alma:

- Milbank – legal (local)
- Castro Leiva – legal (international)
- Structure Banca de Inversión – financial
- Arup – technical

Advisers to the lenders:

- Philippi Prietocarrizosa Ferrero DU & Uria – legal (local)
- Clifford Chance – legal (international)

Latin American water

Sabesp

The Companhia de Saneamento Básico do Estado de São Paulo (Sabesp) refinancing deal contributes to 4 of the United Nations Sustainable Development Goals; good health and well-being, gender equality, sustainable cities and communities and climate action.

Sabesp, the largest water and sanitation company in Latin America, provides services throughout the state of São Paulo. It sought refinancing to build 5 water quality restoration units in informal areas in the Pinheiros River basin and to install of up to 73MW of distributed solar capacity in 33 of its water treatment plants. This electricity self-generation capacity is the first non-conventional renewable energy source built and operated by Sabesp and establishes a model which can be reused elsewhere.

IDB Invest provided local currency financing of R\$950 million (\$184m) in 2 tranches. The first tranche, with a 14-

year tenor, will support Sabesp's capital expenditures for the works and the incorporation of solar distributed technology in Sabesp's existing treatment plants. The second tranche, with a 10-year tenor, will refinance a portion of Sabesp's debt denominated in foreign currency, and accordingly reduce its global exposure to forex.

This structure of this transaction is highly replicable, especially in the context of a significant surge in water and sanitation PPPs being issued in Brazil – all of which will require long-term financing. Achieving this in local currency will allow Sabesp to continue developing its capital investment plan for the coming years whilst also reducing its exchange rate exposure.

Moreover, the incorporation of distributed generation solar technology within Sabesp's existing plants is an innovative tool that can reduce the company's carbon footprint

whilst simultaneously bolstering its operational efficiency.

The new water restoration units will support ongoing efforts to depollute the basin, which receives effluents for over 290 industries and waste and wastewater for over 400,000 households. The treatment plants will add a cumulative water treatment capacity of 1,560 litres per second, contributing to a target of 85% of sewage treated by 2025.

Advisers to Sabesp:

- Cescon Barrieu – legal
- Davis Polk & Wardwell – legal

Advisers to IDB Invest:

- Mattos Filho – legal
- Clifford Chance – legal

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Latin American renewables deal of the year, solar
Javiera/Sol del Desierto US private placement

The Javiera and Sol del Desierto solar projects saw the refinancing of 2 solar assets in Chile owned by Atlas Renewable Energy, part of Actis' Latin American renewables portfolio. The 70MW Javiera Solar project in Chañaral began operations in 2015 and has a 20-year PPA with Antofagasta Minerals, whilst the 230MW Sol del Desierto solar park in Antofagasta is expected to come online in January 2022, serving a 15-year PPA with Engie Energía Chile. Having corporate offtakers, as opposed to utilities, helped to shield the projects from potential government action in response to the widespread protests in the country, which began in October 2019.

The refinancing consisted of a \$253 million, 17-year bond issued on the US private placement market. DNB served as the sole placement agent. Three institutional investors (Allianz, HSBC and Hancock) purchased the bonds, which Fitch rated at BBB-.

This was the largest solar PV green US private placement to date in Latin America and one of the first US private placements to cross-collateralise a greenfield project and a brownfield project. The cross-border nature of this transaction came despite



its timing, occurring in the early stages of the Covid-19 pandemic. The unusual circumstances also required careful monitoring of equipment suppliers in China and collaborative discussions around force majeure to assure bond purchasers that the brownfield project's construction schedule would remain on track.

The deal successfully won over a sceptical investor community that was often wary of the country's renewables industry, following previous negative experiences.

Carlos Barrera, CEO of Atlas Renewable

Energy, at the time of closing, said: "We are very proud of this unique financial solution, tailor-made for these projects in order to enhance investment value."

Advisers:

- Claro & Cia
- Barros y Errazuriz Abogados
- White & Case
- Allen & Overy
- Willis Towers Watson

Latin American transport vehicles deal of the year
Project Condor

Project Condor consists of the purchase and deployment of 433 electric buses and associated charging infrastructure for Santiago's integrated transport system. The deal was sponsored by a special purpose vehicle, Enel X AMPCI L1 SpA (a joint venture between AMP Capital and Enel X).

The company will lease the buses through 3 10-year contracts (for 100, 183 and 150 buses) to Metbus, one of the operators of Santiago's public transport system. The new buses were manufactured by the Chinese manufacturer BYD.

The purchase of the buses was financed through a \$129,500,000 Senior Term Loan and a \$4,150,000 LC Facility, both matching the tenor of the lease contracts. Funding was supplied by 3 banks: SMBC, BNP Paribas, and Societe Generale. Revenues under the lease contracts are fixed, dollar-denominated monthly payments, and are isolated from both operational and traffic risk.



This \$150 million deal was a significant investment in a green loan financing in Chile and it was a first for many of the companies involved: the deal was AMP's first transaction in Chile, and SMBC's first green loan in Latin America. It paves the way for future deals in other countries in the region, such as Colombia and Brazil.

This deal symbolises a vote of confidence in the Latin American e-mobility market, a new and growing sector which is well-aligned with a renewed focus on sustainability from governments and investors alike. Santiago established Latin America's first electric bus corridor in 2019, the opening salvo in the city's campaign to electrify its entire public transport network by 2040 – which will eventually involve the replacement of the rest of Santiago's existing diesel fleet, made up of around 6,500 buses.

Advisers to AMP Capital and Enel X:

- Claro & Cia – legal (local)
- White & Case – legal (international)

Advisers to the lenders:

- Carey – legal (local)
- Allen & Overy – legal (international)

IJGlobal Awards 2020



Asia Pacific winners

Winners in the Asia Pacific transaction category are:

- Editor's Choice Asia Pacific – **Clifford Capital's corporate restructuring and ADB's investment**
- Asia Pacific project finance & export finance – **Changfang, Xidao Offshore Wind Farms**
- Asia Pacific regional refinancing & oil & gas refinancing – **Ichthys LNG Refinancing**
- Asia Pacific DFI – **Mazar-e-Sharif Gas-Fired Power Plant IPP Phase 1**
- Asia Pacific LNG primary financing – **Hong Kong LNG Offshore Terminal**
- Asia Pacific midstream Oil & Gas – **Acquisition of Daesung Industrial Gases**
- Asia Pacific upstream oil & gas – **Acquisition of Chevron's 45% in Malampaya Gas Field**
- Asia Pacific energy storage – **Wandoan BESS**
- Asia Pacific floating solar – **Changhua Lundong Floating Solar PV Plant**
- Asia Pacific geotherma – **Gunung Salak-Darajat Geothermal Plant Portfolio Refinancing**
- Asia Pacific offshore wind – **Akita Port and Noshiro Port Offshore Wind Farms**
- Asia Pacific onshore wind primary financing – **Murra Warra Wind Farm Phase 2**
- Asia Pacific onshore wind refinancing – **Sidrap Wind Farm**
- Asia Pacific solar in a frontier market – **Navoi Region Solar PV Plant IPP**
- Asia Pacific renewables portfolio financing – **SB Energy Rajasthan Solar PV Portfolio IPP**
- Asia Pacific solar refinancing – **Leader Energy Kuala Muda Solar PV Portfolio Refinancing**
- Asia Pacific coal-fired power – **Java 9 and Java 10 Coal-Fired Power Plants**
- Asia Pacific cogeneration power – **Rayong Cogeneration Power Plant**
- Asia Pacific power transmission – **North Phnom Penh-Kampong Cham Transmission Line**
- Asia Pacific social infrastructure primary financing – **South Australian Health and Medical Research Institute Second Building**
- Asia Pacific social infrastructure refinancing – **ACT Law Courts PPP Refinancing 2020**
- Asia Pacific data centre – **Acquisition of 88% in AirTrunk**
- Asia Pacific telecoms – **Acquisition of Jio Platforms**
- Asia Pacific transport primary financing – **Almaty Ring Road PPP**
- Asia Pacific transport refinancing – **WestConnex Toll Road Refinancing**
- Asia Pacific water – **Binh Duong Water Treatment Expansion**
- Asia Pacific mining – **Okvau Gold Mine**

Asia Pacific Editor's Choice

Clifford Capital's corporate restructuring and ADB's investment

Clifford Capital, which has been operating since 2012, restructured its entities under a holding company (CCH). The Singapore-based specialist financing and distribution platform also recruited Asian Development Bank (ADB) and Japan International Cooperation Agency's (JICA) Leading Asia's Private Infrastructure Fund (LEAP) to invest \$95 million of equity into CCH. ADB manages LEAP.

"It was a herculean effort, achieved at the peak of the pandemic when the market was volatile and investor sentiment was weak," says Christine Chan, ADB's co-leader of the project team and now senior adviser to vice-president for private sector operations and PPPs.

"ADB's equity investment in CCH will have a ripple effect across the sustainable infrastructure finance market. ADB's equity will expand CCH's capital base to fuel its next stage of growth and unleash new innovations across the infrastructure financing continuum."

CCH is the umbrella company for:

- Bayfront Infrastructure Management – project finance collateralised loan securitisation
- Clifford Capital (CCPL) – debt for infrastructure, offshore marine and shipping
- Pierfront Capital – mezzanine and private credit
- possible supply chain financing (SCF) entity that CCH is evaluating

"The rationale for the restructuring was to bring our complimentary platforms under a holding company and help us to move us to our next phase of growth. Bringing in ADB as a shareholder is an important part of this story," says Clive Kerner, group chief executive of CCH. "We're delighted that ADB is a shareholder. Our remits are aligned in a number of areas."

Christine adds: "There is tremendous scope and potential to further expand these businesses and leverage these new asset classes to mobilize institutional capital towards sustainable infrastructure in Asia.

"It will also open up new co-financing and co-investment opportunities for the market, which is especially valuable given that investor confidence and market sentiment have been shaken by the Covid-19 pandemic. As we support the region's recovery, ADB looks

forward to leveraging its public and private sector resources and to building back smarter with CCH, its shareholders, and the broader infrastructure market."

ADB's financing package comprised \$50 million investment from the Manila-headquartered multilateral and \$45 million by LEAP. ADB's investment in CCH is its first investment in a Singapore entity since the opening of ADB's new office in Singapore in March 2020. The office now has 11 staff.

"We are delighted that JICA, through its investment from LEAP, was able to co-invest alongside ADB as part of this landmark partnership," says Christine.

ADB has a longstanding relationship with CCPL in in Asia's infrastructure finance market. The multilateral first cofinanced with CCPL in 2015. It also shares Temasek's vision and work to mainstream sustainability throughout its investments. The Singaporean sovereign wealth fund is CCH's largest shareholder.

"ADB has high regard for CCPL's senior management and board of directors," emphasises Christine. "When ADB was first approached in the fall of 2019, we recognized the tremendous synergy between ADB's and CCH's infrastructure financing platforms. We also clearly saw the opportunities to further leverage the capital, innovation, knowledge, and partnerships from Singapore's infrastructure ecosystem to address Asia's infrastructure gap."

Clive adds: "We are very focused on how our existing businesses need to evolve to reflect where new market opportunities lie. Part of that evolution is adapting to the way the world is changing around sustainability, which is a very important theme for us across all our platforms. ADB's expertise on ESG was a big attraction."

"The strategic investment by ADB is a sign of ADB's confidence in CCH's future growth plans, including in sustainable infrastructure financing in developing Asia and is expected to boost the consolidation of Singapore's position as the leading infrastructure financing hub in Asia," says Milbank partner and ADB legal adviser Jacqueline Chan.

"This complex strategic investment was a huge undertaking," says Christine. Teams conducted due diligence across CCH's

business lines. "The ADB transaction was complex because we had to conduct significant industry due diligence across nearly the entire debt value chain from project finance loans to private and mezzanine credit to derivatives," adds Jacqueline.

"The due diligence helped us appreciate the scale of the market across multiple geographies and the increasing need for new financing innovations," notes Christine. "These innovations include Pierfront Capital's mezzanine financing and structured solutions in the infrastructure market, and Bayfront Infrastructure Management's securitization of project finance assets—a ground-breaking way to originate, structure, and distribute the securitization to different financial investors."

"Moreover, the project team working with 'OneADB' teamwork adopted a cross-cutting approach encompassing governance, development effectiveness, safeguards, and gender to conduct due diligence and structure this landmark equity investment," she says.

"Another challenge was working through the impact of ADB's governance requirements on the governance structures of CCH and its subsidiaries," says Jacqueline. "ADB brings with it as investor its breadth of international governance and ESG policies and reporting accountability, which further cements and buttresses CCH's position as a world-class provider of infrastructure finance in all aspects."

Christine stresses the important work of the private sector to close Asia's infrastructure financing gap, which has widened due to the pandemic. "The private sector is needed more than ever as governments are diverting already strained fiscal resources to finance recovery."

"We are thinking very carefully about how our platforms can move towards delivering more sustainable products. We are also mapping out our portfolio of assets and thinking how we can transition over time," notes Clive.

"Through a sustainability lens, we are seeing opportunities. Renewables hold the most immediate opportunities," CCH's chief executive says. "More broadly, the definition of infrastructure itself is expanding and we'll focus on where we can make a difference." ■

Asia Pacific project finance & export finance – **Changfang, Xidao Offshore Wind Farms**

The 552MW Changfang and 48MW Xidao offshore wind farms in the Taiwan Strait, better known as the CFXD project, are the Asia Pacific Regional Project Finance and Best Export Finance deals of the year.

This is the first year *IJGlobal* has recognised 2 APAC regional winners. The other is a large refinancing. CFXD was chosen from among the top project finance transactions that closed in 2020 around the region.

Sponsors, led by Copenhagen Infrastructure Partners (87.5%) with Taiwan Life and TransGlobe Life, reached financial close in February 2020 through a near NT\$120 billion (\$3.94 billion) financing package. The participation of local Taiwan life insurers as equity investors and involvement of a Japanese export credit agency were innovative features of the transaction.

"This transaction is a significant milestone as it is the first of its kind to enable local life insurance companies to make a direct investment in a Taiwanese offshore wind farm," CIP partner Michael Hannibal said at the equity closing.

MUFG Bank had the joint mandate on CFXD's roughly NT\$90 billion, three-currency debt package, comprising 23 lenders including Taiwan Life and TransGlobe Life. CFXD's uncovered, commercial tranche pricing was 240bp above 3-month Taibor, stepping down to "just slightly above" 200bp at commercial operations date, according to a market commentator.

Lenders on CFXD had a sweet-and-sour mix of 55/45. The following 7 Asian and European institutions provided about NT\$49.5 billion in coverage (in order of exposure): Atradius, EKF, NEXI, K-Sure, GIEK, KfW and UKEF.

"The real story of the transaction is this is NEXI's first time participating [in the Taiwan offshore wind]," said another market commentator. "They came in at a very meaningful level, given the Japanese content from the turbine supply agreement." The Japanese ECA covered NT\$10.2 billion (¥37 billion) financing by 10 lenders.

Participants: ABN Amro, Baker McKenzie, Bech-Bruun, Crédit Agricole, CTBC, DBS, Deutsche, E Sun, En Tie Commercial, FIH Partners, HSBC, JP Morgan, KfW IPEX-Bank, KGI, Korea Development Bank, Kromann Reumert, Lautec, Lee & Li, Linklaters, Marsh, Mizuho, Mott MacDonald, MUFG, Natixis, OCBC, PEAK Wind, Ramboll, Santander, Sinotech Engineering, SMBC, Société Générale, Standard Chartered, Taipei, Fubon, Tsar & Tsai, Watson Farley & Williams, White & Case, Wood Group

Asia Pacific regional refinancing & oil & gas refinancing – **Ichthys LNG Refinancing**

The Ichthys LNG Refinancing 2020 is the Asia Pacific Regional Refinancing and Best Oil & Gas Refinancing deals of the year.

This is the first year *IJGlobal* has recognised APAC regional winners. Ichthys was chosen from among the top refinancing transactions that closed in 2020 around the region.

In June 2020, lead sponsors Inpex Corporation and Total refinanced the issuer's existing uncovered commercial loan and KEXIM direct loan with a new uncovered commercial facility at lower margin. The \$11.9 billion transaction also involved the re-pricing of its existing ECA covered loans from 6 ECAs, EFA direct loan and senior sponsor debt at lower margins.

"The innovative and first of its kind refinancing and re-pricing plan revolved around a strategy to most efficiently reduce the project's cost of debt, combined with a revised repayment profile that was both robust and value accretive to the project and sponsors which ultimately needed to be successfully executed at a time of unparalleled market volatility," said a deal insider.

Liquidity from a global blend of commercial banks was surprisingly strong, given the timing amid the Covid-19 pandemic and a crisis where Brent was below breakeven, with uncovered debt's pricing significantly reduced. Financial advisers Citi and Mizuho delivered the massive refinancing spot on the sponsors' deadline.

This transaction highlights the resilience of the sector and the bankability of Australian LNG assets. With a total of 28 lenders and 7 Asia Pacific and European ECAs on the transaction it is also a testament to the bank's capabilities in large and complex infrastructure financing transactions and ongoing support even in challenging market conditions.

CPC, Osaka Gas, Toho Gas, Tokyo Gas, JERA, and Kansai Electric are also Ichthys LNG's shareholders.

Participants: Allen & Overy, Allens, ANZ, Atradius, Bank of Communication, Bank Serve, Bayern LB, Bayfront Capital Partners, BNP Paribas, Bpifrance, Caixa, CBA, Chiba, Citigroup, Crédit Agricole, DZ, Euler Hermes, Export Finance & Insurance Corp Australia, Export Finance Australia, Gas Strategies, Herbert Smith Freehills, HSBC, ICBC, ING, KEXIM, KfW IPEX-Bank, K-Sure, Latham & Watkins, Lummus Consultants International, Mizuho, MUFG, NAB, NautaDutilh, NEXI, Resona, Santander, SMBC, SMTB, Société Générale, Westpac

Asia Pacific DFI – **Mazar-e-Sharif Gas-Fired Power Plant IPP Phase 1**

The 59MW Mazar-e-Sharif gas-fired power plant IPP phase 1 is the Asia Pacific DFI deal of the year.

Much of Afghanistan's infrastructure has been destroyed due to nearly 3 decades of conflict. The country has significant need for power and private sector investment. Two-thirds of Afghanistan's 37 million people do not have access to grid-connected electricity. Of the remaining third, more than 75% of the power is imported. Even those connected to the grid have frequent blackouts, at times lasting some 15 hours a day.

Against this backdrop, the financing of Mazar independent power producer (IPP) – Afghanistan's first long-term IPP – was a consequential achievement. The \$90 million Mazar-e-Sharif power plant will generate 400GWh of electricity annually for the residents of Mazar-e-Sharif, Kabul and Jalalabad, boosting the country's electricity generation by up to 30%.

At closing, Afghan banking, construction, energy and transport conglomerate Ghazanfar Group and Egyptian construction company Hassan Allam Holdings owned Afghan Power Plant Company, the project's special purpose vehicle.

The transaction was also Afghanistan's first private sector gas-fired power plant to be funded by development finance institutions (DFIs). "The project will have a significant demonstration effect for private sector participation in Afghanistan's energy sector," said a deal insider.

IFC was MLA on the nearly \$65 million debt package. The World Bank Group member provided an A loan and mobilised funding from Asian Development Bank, Japan International Cooperation Agency's Leading Asia's Private Infrastructure Fund and DEG.

IDA also provided a guarantee to support short-term liquidity for ongoing payment obligations to power utility DABS, which is the offer. MIGA also provided investment guarantees.

IDA Private Sector Window's (PSW) Risk Mitigation Facility and MIGA Guarantee Facility covered IFC's financing and MIGA's political risk guarantees. Mazar was World Bank's first time to deploy PSW's Risk Mitigation Facility.

World Bank is also helping to build a natural-gas pipeline from Sheberghan to Mazar-e-Sharif to supply gas to the plant.

Participants: Aon, EY, Fichtner, Hagler Bailley, Hogan Lovells, Kakar, Marsh, OWL Group, RIAA Barker Gillette, White & Case

Asia Pacific LNG primary financing – Hong Kong LNG Offshore Terminal

The Hong Kong LNG offshore terminal is the Asia Pacific Best LNG Primary Financing deal of the year.

The financing of Hong Kong's first offshore LNG import terminal project was a critical step to support the government of Hong Kong's carbon reduction targets in the HK Climate Action Plan 2030+.

The project involves an offshore LNG receiving terminal, jetty topsides facilities, 2 new subsea pipelines connecting the FSRU with 2 power stations, and gas receiving facilities to transport gas to power generating facilities in Hong Kong.

At closing, Castle Peak Power (Capco) and HK Electric were the 50/50 owners of project company Hong Kong LNG Terminal. Indirect owners were CLP Holdings subsidiary CLP Power Hong Kong and China Southern Power Grid subsidiary China Southern Power Grid International (HK) through Capco.

HSBC had the joint mandate on the HK\$6 billion (\$773 million) financing solution, joined by ANZ, BNP Paribas, China Development Bank, Credit Agricole and Standard Chartered as MLAs.

A commendable aspect of the package was the 15-year HK\$1.96 billion credit buyer term loan facility, covered at 95% by Sinosure in favour of Capco. It supported the EPC contract from Offshore Oil Engineering China, the supplier of a gas subsea transportation pipeline to, and a gas receiving station at, Capco's Black Point power station in Hong Kong.

This was Sinosure's first long-term buyer credit transaction for a Hong Kong-based borrower. The Chinese ECA also deviated from its policy requiring a corporate guarantee due to the borrower's strong financials and the project's strategic role.

Other features of the transaction included \$350 million senior 10-year Energy Transition bond and HK\$3.3 billion Energy Transition 1- and 3-year revolving facilities.

"The deal was the first ECA-covered deal with Capco and Asia's first export finance Energy Transition loan," said a deal insider. "The energy transition facilities were aligned with CLP's Climate Action Finance Framework."

Participants: DNV GL, ERM, Worley

Asia Pacific midstream oil & gas – Acquisition of Daesung Industrial Gases

The acquisition of Daesung Industrial Gases is the Asia Pacific Best Midstream Oil & Gas deal of the year.

Divine Industrial Gas through Divine Korea Holdings – a Macquarie Asia Infrastructure Fund 2-led consortium with a Singaporean sovereign wealth fund and Canadian pension fund – acquired 100% equity interest in Daesung Industrial Gases from Korean private equity firm MBK Partners for W2.8 trillion (\$2.48 billion).

At closing, Daesung was South Korea's largest industrial gas supplier and only nationwide supplier of industrial gases, with annual production capacity of more than 16 million tons.

For more than a year, MIRA reviewed opportunities in the gas industry and gathered sector knowledge in the industrial gas market. Four companies that together hold more than 90% of the market dominate Korea's industrial gas business. High entry barriers feature prominently in the industry.

MIRA exclusively sourced the opportunity from MBK Partners due to the real assets investment manager's prior investments in Korea. The Macquarie subsidiary drew from a team of industry and functional specialists in Korea, China and Singapore to complete due diligence and documentation process within a short period of time.

"MIRA considered Daesung in particular as a prime investment opportunity given its market leader position ... with 40 years of operation that enabled it to establish longstanding relationships with Korea's leading blue-chip customers and record a near-complete renewal rate since 1990s," a deal insider said.

The industrial gas supplier's cash flows bolstered by long-term volume guarantee contracts and cost pass through mechanisms, further attracted MIRA.

MIRA also recruited GIC and Alberta Investment Management to join the multinational consortium.

MIRA conducted a comprehensive post-merger integration process to transition smoothly and maintain momentum during the Covid-19 pandemic since the transaction closed in February 2020. The on-the-ground asset management team in Korea was extremely valuable.

Participants: Allen & Overy, Cleary Gottlieb Steen & Hamilton, Kim & Chang, KSFC, Lazard, Lee & Ko, Mirae Asset Daewoo, Morgan Stanley, NH I&S, Shin & Kim, Shinhan Bank

Asia Pacific upstream oil & gas Acquisition of Chevron's 45% in Malampaya Gas Field

Filipino conglomerate Udenna's acquisition of US-based Chevron's 45% stake in Malampaya gas field is the Asia Pacific Best Upstream Oil & Gas deal of the year.

The transaction is significant for the Philippines' oil and gas industry, as Filipino companies eye replacing large global incumbents. Malampaya is the country's largest and only commercially producing gas field, where it supplies up to 20% of the country's total power generation.

Shell Philippines Exploration, which holds the Service Contract 38, develops and operates the gas field under the JV comprising Netherlands-headquartered Royal Dutch Shell (45%), Chevron (45%), and state-owned Philippines National Oil Exploration (10%).

In 2019, Udenna revealed that it was in talks with Chevron to acquire the significant minority interest. Both sides later sealed the deal for around \$565 million, paid through a \$400 million debt facility with ANZ and ING.

Despite facing concerns that the gas field would plummet to a third by 2024 and deplete by 2027 to 2029, the consortium was confident that the gas field could sustain beyond 2024. The acquisition allowed Udenna to become a prominent oil and gas player in the market, which aligns with the company's long-term vision to develop a sustainable clean energy business in Philippines.

Besides, the transaction also signalled Chevron's exit on its first and largest natural gas development project in Philippines. Malampaya has an estimated total investment cost of about \$4.5 billion and has contributed as much as \$12 billion in revenue.

Since Malampaya began operation in 2002, its production reached up to 429 million cubic feet of gas per day and 15,000 barrels of condensate per day over the two decades.

"At Udenna, we believe in the benefit of promoting natural gas as an essential fuel to support the country's growing energy needs and economic growth," said the Filipino conglomerate.

Participant: ANZ, Ashurst, Freshfields Bruckhaus Deringer, Herbert Smith Freehills, ING, Morgan Stanley

Asia Pacific energy storage Wandoan BESS

The primary financing of the 100MW / 150MWh Wandoan battery energy storage system is the Asia Pacific Best Energy Storage deal of the year.

Vena Energy's BESS in the Darling Downs region of Queensland was Australia's first utility scale battery project to be privately financed without the need for state or federal government assistance.

"This landmark transaction also marks Australia's first ever non-recourse project financing of a utility scale battery energy storage project," said a deal insider.

BNP Paribas, DBS and ING were MLAs on the debt financing of the A\$120 million (\$82 million) project, which is also instrumental in Queensland's transition towards renewable energy and a low carbon economy.

"The financing was also among the first of Vena Energy's renewable energy portfolio in the Australian market, and the first battery project internationally, to meet the criteria for Vena Energy's Green Financing Framework," said a project adviser.

Pierre Floriat from BNP Paribas noted: "As green loan coordinator for the financing, BNP Paribas strongly believe the Wandoan South BESS provides a template for more battery projects to be commercially financed and will enable further renewable penetration into Australia's National Energy Market."

At closing, the 150MWh Wandoan BESS was the largest battery in Queensland and second largest in Australia capable of powering up to 57,000 households. It will provide ancillary services and help maintain grid stability as growing shares of variable renewable energy join the local grid.

The battery was the first part of Vena Energy's Wandoan South Project in Queensland and represented the first large-scale battery project globally by the Singapore-headquartered renewable developer.

Australian utility AGL Energy procured the dispatch rights for the battery under a 15-year contract. The procurement allows AGL to leverage excess solar generation in Queensland and provide capacity when other renewable power sources are not generating.

The BESS is near the town of Wandoan about 400km north-west of Brisbane. The battery will connect to Powerlink's Wandoan South substation, just south of the project site. Vena Energy is a Global Infrastructure Partners portfolio company.

Participants: Ashurst, ClayMatter, DLA Piper, Doosan GridTech, Herbert Smith Freehills, RINA Consulting

Asia Pacific floating solar Changhua Lundong Floating Solar PV Plant

The 180MW Changhua Lundong floating solar PV plant is the Asia Pacific Best Floating Solar deal of the year.

Floating solar is an increasingly attractive option for large-scale PV deployment at reservoirs and alongside hydropower facilities, especially where land use is constrained.

"With the financing group comprising 3 international banks and 4 local banks, the financing structure of this pioneering project opens more possibilities to bolster the burgeoning large-scale floating solar projects in Asia Pacific during the coming years," said a deal insider.

At closing, Marubeni acquired the project in Changbin Lunwei East's Changhua Coastal Industrial Park from Chenya Energy, held by I Squared Capital's renewable energy platform Asia Cube Energy.

The transaction, which has a 20-year power purchase agreement and feed-in-tariff with Taipower, was one of the largest floating solar projects in the world. It was also the first project financing in Taiwan's floating solar industry.

Singapore-headquartered DBS had the joint mandate on the NT\$9 billion (\$322 million) financing. Debt comprised a single senior facility of about NT\$7.2 billion. The MLAs were DBS, KGI, SinoPac, SMBC and Société Générale, while lead arrangers were E Sun and First Commercial. Banks structured a 6-year mini-perm with a notional maturity of 18 years.

Changhua Lundong was the first "standard international style" non-recourse loan for a large-scale floating solar power plant in Taiwan. It will also be the world's largest built in an inter-tidal zone.

This landmark transaction supported the Taiwanese government's directive in achieving 20% renewables in the country's energy mix by 2025.

"Through Changhua Solar, Marubeni plans to expand the floating solar power business in Taiwan as well as in other regions," said a project participant.

"This project's success would certainly help spur more of such projects in land-constrained Taiwan and other jurisdictions in Asia facing the dilemma of accelerating renewable energy adoption and competing land uses," added another participant.

Participants: Aon, KPMG, Lee & Li, Mott MacDonald, Russin & Vecchi, Sinotech Engineering

Asia Pacific geothermal – Gunung Salak-Darajat Geothermal Plant Portfolio Refinancing

The 2020 refinancing of the 550MW Gunung Salak-Darajat geothermal plant portfolio is the Asia Pacific Best Geothermal deal of the year.

The portfolio refinancing – \$1.1 billion senior green bonds issued by Indonesia-based Barito Pacific subsidiary Star Energy Geothermal – was 3.5x oversubscribed. It was Indonesia's first US dollar project bond and one of its largest non-sovereign deals. It was also Indonesia's longest dated green bond at 18 years.

"It was Asia's first dollar-denominated project bond of the year in 2020," said a deal participant.

SEG Darajat II and SEG Salak co-issued the green bonds to refinance the \$1.25 billion loan acquisition of 350MW Gunung Salak and 200MW Darajat, following the acquisition in 2017 of the geothermal assets Star Energy, Philippines-based Ayala, and Thailand-based EGCO, from energy giant Chevron.

The issuance was the first investment-grade green project bond from the private sector in Indonesia.

The co-issuer, multi-jurisdictional, dual-tranche structure was among the first of its kind in the region. The transaction included 2 tranches – \$320 million with a 3.25% coupon rate due 2029 and \$790 million with a 4.85% coupon rate due 2038. The transaction set a precedent for other issuers in the region to arrange the complex structure.

Star Energy is one of the Indonesia's largest geothermal producers that operates and owns 875MW of assets. It issued the bonds in structure with upstream, cross-stream and downstream guarantees and had a security package with assets in several jurisdictions. The deal signified the private sector's increased interests in renewable projects and enhanced focus in the ESG sector.

"This successful green bond offering indicates that investors in the region and across the world are eager to invest in geothermal and renewable energy projects amid challenging economic circumstances," said a deal adviser.

Participants: Bank of the Philippine Islands, Barclays, Clifford Chance, Credit Suisse, DBS, Deutsche, King & Spalding, Mayer Brown, Milbank, Walkers

Asia Pacific offshore wind

Akita Port and Noshiro Port Offshore Wind Farms

The 145MW Akita Port and Noshiro Port offshore wind farm portfolio is the Asia Pacific Best Offshore Wind deal of the year.

The ¥100 billion (\$921 million) transaction financed Japan's first large-scale commercial offshore wind project. This was one of Japan's most consequential deals in recent years as the first large offshore wind power project by project financing. It foreshadows major growth in offshore wind financing as the government targets 30-45GW by 2040.

At closing, Marubeni was Akita Offshore Wind Corporation's largest shareholder, joined by 12 other Japanese companies, including Obayashi and Chubu Electric Power.

This project was the first of a series of what the market in Japan is calling "ports and harbour" offshore wind projects, supported by the Japanese feed-in tariff for renewable energy projects.

Mizuho, MUFG and SMBC were the MLAs, joined by other domestic and foreign lenders, including senior lender Société Générale. Marubeni's funding plan had variable and fixed rate facilities. Bankers and advisers encountered many firsts, including project risk allocation, permitting, financing structure and supply chains.

"The financing proved successful for the sponsors, thanks among others to the quality of the project's risk profile and its highly visibility on the Japanese market," said a deal insider. "The debt raising was consequently over-subscribed."

An interesting facet was that Japanese law did not clearly define ownership over the ocean. "Structuring the security packages over offshore wind turbines, therefore, proved quite challenging," a project participant said.

"This was the first time this type of security has been undertaken in Japan.

Marubeni

Also notable was that it was a syndication of both domestic and international banks which are not commonly done in Japan."

The transaction accelerated Marubeni's decision to transform its power portfolio, aiming to expand the ratio of power generated by renewable energy sources from 10% to 20% by 2023. The development of Japan's offshore wind market is crucial for Marubeni to achieve its power transformation.

Participants: Tohoku Sustainable & Renewable Energy, Cosmo Eco Power, Kansai Electric Power, Akita Bank, Ohmori, Sawakigumi, Kyowa Oil, Katokensetsu, Kanpu, Sankyo, Linklatersm, Mori Hamada & Matsumoto, Mott MacDonald, Nishimura & Asahi, Tokyo Kyodo, Willis Towers Watson



Light with the wind of the world

Marubeni believes that "offshore wind farm" is one of the answers to create a decarbonized and sustainable society. Together with local stakeholders, we will draw the ideal form of offshore wind farm and a bright future while keeping in mind the contribution to the local economy and the environment. We look forward to delivering projects such as the landmark Akita Noshiro Offshore Wind Project shown here to achieve a more sustainable future for the region and the World.

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Asia Pacific onshore wind primary financing – **Murra Warra Wind Farm Phase 2**

The 209MW phase 2 of the Murra Warra wind farm is the Asia Pacific Best Onshore Wind Primary Financing deal of the year.

Near closing, Partners Group acquired 100% equity interest in Murra Warra 2 in western Victoria from Macquarie's Green Investment Group and RES for A\$180 million (\$128.5 million). In 2018, the Swiss fund manager also bought 100% equity of the adjacent operational 226MW Murra Warra 1 for A\$200 million. The Murra Warra complex is one of the largest wind farms in the Southern Hemisphere.

Murra Warra 2's primary financing closed last July amid the coronavirus pandemic showcasing the resilience of the Australian renewables market. The pandemic presented a series of challenges, across supply chain, access to site and rising capital costs. The former owners were able to navigate the project through these issues and close the parallel equity and debt transactions.

Six commercial banks lent on the project finance debt. The debt package involved a green loan making it the first time such a facility was used to fund the construction of a wind farm in Australia. The green loan, raised in accordance with the Asia Pacific Loan Market Association's Green Loan Principles, was subject to an independent second party opinion from Sustainalytics.

The financing's timing was not ideal. Grid connectivity issues forced a few investors to divest local assets. The former sponsors mitigated market uncertainty by conducting grid due diligence and sweetening the financing package with security mechanisms. These included a cost overrun facility to provide liquidity in the event of unforeseen grid related issues.

"We continue to believe the Australian renewable energy sector is benefiting from a transformative trend, with a significant amount of coal-fired generation retirements expected in the coming decade," said Andrew Kwok, Partners Group head private infrastructure for Asia.

"Investing into Murra Warra 2 at the construction phase and successfully delivering the project through to its operational phase is consistent with both our 'platform expansion' and 'building core' strategies in infrastructure."

Participants: Ashurst, Clifford Chance, ICBC, ING, King & Wood Mallesons, KPMG, Macquarie Capital, Mizuho, MUFG, SMBC, Snowy Hydro, Société Générale

Asia Pacific onshore wind refinancing – **Sidrap Wind Farm**

The 2020 refinancing of the 75MW Sidrap wind farm is the Asia Pacific Best Onshore Wind Refinancing deal of the year.

The transaction was a refinancing of a greenfield loan for Indonesia's first wind power project. The project itself was the country's first utility-scale wind power project, signifying the transition towards renewable energy. The \$150 million wind farm, which went online in 2018, was a pioneering model for future wind power projects in the country.

A consortium, comprising APAC-focused UPC Renewables, Indonesia-based Binatek Energi Terbarukan, and Philippines-based AC Energy, is the onshore wind farm's owner and operator.

The consortium had a 30-year power purchase agreement with state-owned utility company Perusahaan Listrik Negara (PLN). The US dollar linked PPA had a levelised tariff of \$0.1141/kWh, providing a hedge to the sponsors against potential volatility in Indonesia rupiah.

The \$114 million refinancing to the existing loan, extended by US International Development Finance Corporation's predecessor, represented a landmark transaction and milestone of Indonesia's transition to renewables. The loan facility attracted a diverse lender club consisting of German DFI DEG, SMBC's BTPN, Indonesia Infrastructure Finance, and Sarana Multi Infrastructure.

The MLAs were able to close the refinancing in 3 months, when the transaction closed on the same day as signing. That is a relatively short timeframe in the market. The lenders performed their strong track record and their readiness to support the country's renewable goals.

"This project is particularly significant because it's one of the ways that PLN is going to develop its knowledge about wind power and the opportunities and challenges it brings. It will definitely help with the political traction for renewables in Indonesia overall," said a deal adviser.

Participants:

- Assegaf Hamzah and Partners
- Baker McKenzie / Hadiputranto Hadinoto & Partners
- Shearman & Sterling
- SMBC / BTPN

Asia Pacific solar in a frontier market – **Navoi Region Solar PV Plant IPP**

The financing of the 100MW Nur Navoi solar power project is the Asia Pacific Best Solar in a Frontier Market deal of the year.

"The first IPP - and PPP - in Uzbekistan with a massively ambitious modernisation programme across the power and infrastructure space," said a deal insider.

At closing, the Masdar owned project company Nur Navoi Solar Foreign Enterprise. The Abu Dhabi-based sponsor reached commercial close with the lowest tariff for solar energy in Central Asia to date. Nur Navoi was also Uzbekistan's first competitively tendered project in the renewable energy sector.

The transaction was the first solar project under the IFC Scaling Solar programme outside Africa. "It was the fastest ever bid to close cycle even during the Covid-19 pandemic, closing in 12-13 months, compared with 1.5-2 years in other Scaling Solar deals," a source noted.

Cranmore Partners was financial adviser on the financing package. IFC, Canada-IFC Blended Climate Finance Program, ADB and Canadian Climate Fund for the Private Sector in Asia II provided long-term senior debt.

EBRD extended an equity bridge loan. Masdar's use of an equity bridge loan was not surprising. Investment-grade sponsors in the Middle East tend to lever up their equity contributions, noted a banker.

The IBRD guarantee was equivalent to the PPA payments by National Electric Grid of Uzbekistan, the off-taker, under the 25-year PPA during the 6-month peak (April to October). The 20-year payment guarantee backstopped a letter of credit by Natixis in case the government or the off-taker does not reimburse a draw on the L/C within 12 months.

"The IBRD guarantee is quite new and innovative," said a deal insider. "It's a way to get commercial banks into the L/C on a covered basis, providing liquidity support at the project level."

"It is easy to look towards large renewable projects in the Asia region such as the offshore wind transactions in Taiwan to win," argued a project participant. "But it is much more challenging and important to successfully develop projects like Nur Navoi in a BB- and emerging economy country such as Uzbekistan than it is an AA- and liquidity rich jurisdiction such as Taiwan."

Participants: Aecom, Ashurst, Clifford Chance, DNV GL, Lockton, Norton Rose Fulbright, SEPCO III, TYPISA, Worley

Asia Pacific renewables portfolio financing – SB Energy Rajasthan Solar PV Portfolio IPP

The portfolio financing of the 600MW SB Energy Rajasthan Solar PV project is the Asia Pacific Best Renewables Portfolio Financing deal of the year.

At closing, Softbank (80%) and Bharti Enterprises (20%) owned the 2x 300MW greenfield solar PV project in Rajasthan, India. The portfolio developed under National Thermal Power Corporation's Solar Park Scheme. It benefited from a 25-year PPA with NTPC at fixed tariff.

"With seven international banks in the financing group, the successfully implemented financing structure opens future possibilities to support upcoming projects for the sponsor across different regions," said a deal insider.

BNP Paribas, MUFG, SMBC, Société Générale, SinoPac, Standard Chartered and Taipei Fubon Commercial punched tickets on the nearly \$330 million debt package.

The complex financing structure comprised US dollar and Japan yen external commercial borrowing facilities. The transaction also had a letter of credit facility. Drawdowns by SB Energy Six Private, the borrower, under the L/C facility will be taken out by the ECB loan.

The borrower raised a 5-year, mini-perm project finance. Four-fifths were denominated in USD while the remaining 20% was in yen. Cross currency swaps and FX forwards for the tenor of the loan hedged the USD tranche.

SB Energy Six also raised a L/C facility to pay for the modules and other equipment, a performance bank guarantee required under the PPA, and a working capital facility.

"The transaction utilised an innovative hedging structure, comprising a combination of cross currency swaps and FX forwards, thereby reducing the number of hedges that are required to be executed by the borrower," said a market participant.

Participants:

- Allen & Overy
- Cyril Amarchand Mangaldas
- KPMG
- Luthra & Luthra
- Mahindra Susten
- Marsh
- Sterling & Wilson
- Tractebel

Asia Pacific solar refinancing Leader Energy Kuala Muda Solar PV Portfolio Refinancing

Leader Energy's 49MW Kuala Muda solar PV portfolio in Malaysia is the Asia Pacific Best Solar Refinancing deal of the year.

The issuer is the renewable energy unit of Penang-based HNG Capital. The transaction is Leader Energy's debut sukuk – a Shariah-compliant bond issuance – that refinanced 2 operational solar power projects in Kuala Muda, Kedah.

The deal further promoted and enhanced Malaysia's value proposition as a centre for Islamic finance and sustainable investments. HSBC's Malaysia affiliate HSBC Amanah was the lead arranger on what it described as the first Asean green sustainable and responsible investment sukuk in 2020. The deal was also the Malaysia ringgit bond market's first project financing sukuk in 2020. The transaction also signalled the market's appetite for renewable energy, bolstered by the sponsor's ability to issue an attractive and competitive bond.

Leader Energy raised M\$260 million (\$62 million) through the bonds, structured with multiple tranches spanning 1 to 18-year maturities. At issuance, the sukuk had the lowest ever coupon and weighted average financing cost for AA3/AA- rated solar power project financing issuances in the ringgit market.

The issuance also received a gold sustainability bond rating, the highest grade of MARC's Impact Bond Assessment methodology. The rating showed that the sukuk's standards aligned with international practice, opening further opportunities. The deal attracted 12 investors from insurance companies, asset managers, and financial institutions.

Kuala Muda 1 (29MW) and 2 (20MW) are the projects awarded by Malaysia's Energy Commission under the Large-Scale Solar 1 and 2 procurement programmes. Both projects have a 21-year power purchase agreement with state-owned electricity utility company Tenaga Nasional.

HNG Capital has more than 20 years of experience in Asean's power market, including Cambodia, Malaysia, and Vietnam. The solar farms, which began operations in October 2018 and February 2020, showed the company's commitment to push forward the country's renewable sector.

"This deal shows tremendous appetite for sustainable and green-focused offerings in the market ... and our commitment and ability to develop the landscape of sustainable banking products available in Malaysia," said a deal adviser.

Participants: Adnan Sundra & Low HSBC, Malaysian Rating Corporation

Asia Pacific coal-fired power Java 9 and Java 10 Coal-Fired Power Plants

The 2GW Java 9 and Java 10 coal-fired power plant complex is the Asia Pacific Best Coal-fired Power deal of the year.

A Perusahaan Listrik Negara (PLN) subsidiary, Barito Pacific, and Korean developer Kepco were the sponsors of one of Indonesia's largest project financings in 2020. The deal package comprised 2 tranches – ECA-covered and commercial – amounting to about \$2.5 billion.

The sponsors raised \$1.1 billion from commercial banks, one of the country's largest commercial tranches for greenfield IPP financing. A subsidiary of Indonesian state-owned utility PLN held a majority in the project company. The deal required a bespoke corporate governance solution to satisfy lender concerns because PLN was also the offtaker. It's a possible model for future Indonesian IPPs.

"This was the first deal closed with a PLN subsidiary as majority shareholder," said DBS global head of project finance and project financial adviser Subash Narayanan. "Indonesia adapted the shareholder/offtaker model from the Middle East ... Here, the PLN subsidiary was a BBB first time risk. The commercial banks and the long-term debt providers, the Korean ECAs, had to work towards quite a different funding plan."

The project financing was under financial close when banks had begun slowly stepping away from coal financing. Sponsors had to manage a much-reduced pool of potential participants. Nevertheless, the project achieved financial close with 11 financiers.

The deal also showcased cooperation between South Korea and Indonesia as South Korean sponsor Kepco participated in the project, bringing in development institutions, commercial banks, ECA guarantor, EPC contractors, and advisers.

"The project is a priority project for the government and is part of the country's 35GW programme. Once completed, the power station will become the biggest power complex connected to the Jawa Bali grid," said a deal adviser.

Participants: ABNR, Afry, Aon, Assegaf Hamzah & Partners, Bangkok Bank, Bank Mandiri, Bank Negara Indonesia, Bank of China, Bank Rakyat Indonesia, Black & Veatch, CIMB, Connusa Energindo, DBS, DLA Piper, Hana Financial Group, Hogan Lovells, Indonesia Eximbank, KEXIM, Kim & Chang, Korea Development Bank, KPMG, K-Sure, Lee & Lee, Malayan Bank, Milbank, Norton Rose Fulbright, Tokyo Electric Power Services, UMBRA

Asia Pacific cogeneration power Rayong Cogeneration Power Plant

The 92MW Rayong Cogeneration power plant in Thailand's strategically important Eastern Economic Corridor is the Asia Pacific Best Cogeneration Power of the year.

A local affiliate of Singapore-based Nexif Energy and Thai developer Ratch were sponsors at financial close. Nexif Energy is a partnership between Singapore-based independent power management company Nexif and Denham Capital, an energy and resources-focused private equity firm.

The primary financing indicated the maturity and volatility of Thailand's power market, with the international independent power producer initiating the project and the participation of local power developer. Thailand authorities welcomed the project without much interference, allowing the project to negotiate a more competitive loan facility and power purchase agreements.

The deal showcased the sponsor's commitment to the development of an IPP project in Thailand. Project initiator Nexif Energy is an IPP backed by US-based financial investors. At the initial stage, Nexif Energy was solely developing the project. Ratch, one of Thailand's largest IPPs, later joined, leveraging expertise and experience between the international and local markets.

Besides, a good mix of international and local lenders on the deal represented the appetite for Thailand's power market. The club comprised Kasikornbank, SMBC and Standard Chartered. The transaction further showed that the capital mobility in the market is sufficiently strong to push forward a deal without the involvement of DFIs and ECAs.

The sponsors also negotiated a favourable PPA for the project, illustrating the developers' ability to execute the project. The project has 2 PPAs – a 25-year PPA with state-owned Electricity Generating Authority of Thailand for 90MW and a gas supply agreement with state-owned PTT. The PPA tenor runs longer than the debt tenor, providing a significant PPA tail for the project.

"The joint investment in the Rayong co-generation project with Nexif Energy represents a strategic move for Ratch in establishing a generation base in the eastern region which will help secure national power supply to the industrial sector," said a project sponsor.

Participants: Baker McKenzie, Kasikornbank, Mott MacDonald, Norton Rose Fulbright, SMBC, Standard Chartered

Asia Pacific social infrastructure primary financing – South Australian Health and Medical Research Institute Second Building

The financing of the South Australian Health and Medical Research Institute Second Building is the Asia Pacific Best Social Infrastructure Primary Financing deal of the year.

SAHMRI's second building is now known as the Australian Bragg Centre for Proton Therapy and Research. Australian Bragg Centre is part of Adelaide's BioMed City – the Southern Hemisphere's largest health and biomedical precinct.

"The asset is unique in Australia, incorporating the country's first proton therapy unit specialising in next generation cancer treatment," said a deal insider.

At closing, Commercial & General, and the governments of South Australia and Australia were financial backers of the development of the more than A\$500 million, 15-storey medical development. The governments provided a combined A\$112 million.

Australian Bragg Centre represented a "landmark collaboration between the private sector and the State and Federal governments," said a project participant. Parties negotiated the project financing against a backdrop of financial and construction uncertainty arising from the Covid-19 pandemic.

Parties target a LEED Gold Rating under the US Green Building Council's LEED building certification system recognising best-in-class green building strategies and practices.

After financial close on construction funding in June 2020, Dexus funds acquired ownership of the project for A\$446.2 million. It was one of Australia's largest ever single-asset private healthcare acquisitions. The centre will treat about 600-700 patients per year once patients arrive in Q2 2025.

"By combining research, education, clinical care, business development and innovation, The Australian Bragg Centre will facilitate an unparalleled opportunity to network, collaborate and advance research," said SAHMRI.

Participants:

- King & Wood Mallesons
- Minter Ellison
- Norton Rose Fulbright

Asia Pacific social infrastructure refinancing – ACT Law Courts PPP Refinancing 2020

The 2020 refinancing of the ACT Law Courts PPP is the Asia Pacific Best Social Infrastructure Refinancing deal of the year.

The ACT Law Courts project was ACT's first PPP. The PPP is under a 25-year design, build, finance and maintain concession. The project revamped Canberra's existing court facilities by developing a 4-storey building with 110KW solar PV array near Vernon Circle.



The complex connects the Magistrates and Supreme Court buildings. The new ACT Law Courts building, which has been operating since 2020, accommodates the Court of Appeal, Supreme Court, Magistrates Court, Coroners Court and Children's Court.

"The new precinct will meet the territory's needs for the next 50 years in a more functional, flexible and sustainable way," said a deal insider. "Being the first refinancing post-completion, this successful transaction set up the project for the long-term operational phase."

Macquarie Capital was financial adviser on the A\$159 million debt package. It comprised a A\$156 million term loan and a A\$3 million debt service reserve facility. Both had a 5-year tenor. The deal closed in December 2020.

Sponsors built a new public entrance and registration area in the open space to connect the Supreme Court and Magistrates Court. The configuration provided access to common facilities for members of the public and the legal community.

"The Supreme Court building was fully refurbished to accommodate Supreme Court and other judicial functions and is now fully integrated into the completed facility in a way that respects and retains its unique heritage value," said a project participant.

Participants:

- King & Wood Mallesons
- Maddocks
- NAB
- SMBC

Asia Pacific power transmission

North Phnom Penh-Kampong Cham Transmission Line

HNG Capital's 100km North Phnom Penh-Kampong Cham transmission line has won the Asia Pacific Best Power Transmission deal of the year.

The transmission line was Cambodia's first foreign build-own-transfer power transmission project. The \$55 million refinancing was also the first project finance in Cambodia for ING and Mizuho. The deal encouraged diversified capital raising from international financial markets for the emerging energy sector in Cambodia.

The loan replaced financing by Export-Import Bank of Malaysia. The World Bank Group's MIGA provided a 10-year extended protection against transfer restriction, expropriation, war and civil disturbance and arbitral award default.

The tenor was 10 years on debt pricing of about 3.82% per year, *IJGlobal* understands. The government of Cambodia had yet to issue a 10-year sovereign bond to reference, planned for 2022.

"The deal represents the lenders' and MIGA's first transaction in Cambodia... demonstrating their commitment to supporting power generation and transmission in the region notwithstanding the challenges faced by the global Covid-19



pandemic," said a deal adviser.

The transaction showed the international market's readiness to step into a market with an increasing need for a stable power supply.

The deal also contributed to Cambodia's social and economic development. The refinancing facility allowed the sponsors including HNG Capital to continue to provide reliable electricity supply to the capital region. The operational 230kV overhead transmission line has a length of about 100km and connects 2 substations.

Founded as a cable and wire company, HNG Capital was the first private investor that state-owned Électricité du Cambodge had awarded a BOT project. Prior to that, HNG Capital had developed a few IPP projects in the country. Japan-based Marubeni later acquired a 20% equity stake, marking Japan's first foray into the country's power market.

HNG Capital wholly owns the project company through a Singapore-based holdco called Leader Infrastructure. A market observer said that Marubeni in 2019 sold back its 20% LIL equity stake to HNG Capital, since the holdco had exposure to coal assets. "Marubeni started to rationalise their portfolio, trying to get rid of coal assets," said the source.

Participants:

- Afry
- Allen & Gledhill
- Aon
- Clifford Chance
- DFDL
- EY
- ING
- Mizuho

Asia Pacific transport primary financing

Almaty Ring Road PPP

The 66km Almaty Ring Road PPP is the Asia Pacific Best Transport Primary Financing deal of the year.

Almaty Ring Road is a massive project for the 18-plus million people in the world's largest landlocked country. The road in Kazakhstan is part of the transcontinental highway linking Western Europe to Western China.

EBRD president Suma Chakrabarti described the PPP project as "the region's first proper PPP and, not surprisingly, the project finance world has been following its progress very closely".

At closing, the equity holders of BAKAD Investment and Operation LLP, the project's SPV, were Alsim Alarko, Makyol, SK Engineering and Construction and Korea Expressway.

The \$742.6 million road PPP project had 79% gearing. DFIs dominated the \$585 million limited recourse project financing – with a full pass-through of EPC and O&M risks to the relevant contractors.

"A bespoke hedging structure involving interest rate swaps forwards and interest rate caps to accommodate project needs was the most innovative feature of the financing structure," an EBRD spokesperson told *IJGlobal*.

EBRD led with a \$225 million A loan and B loans totalling \$125 million from Bank of China and PGGM. Eurasian Development Bank provided \$135 million and Islamic Development Bank (IsDB) punched a ticket for \$100 million.

Lenders designed a "bespoke installment sale structure developed to meet Islamic Development Bank's specific shariah requirements within local law and transaction constraints", according to a deal insider.

"The negotiations to conclude the financing for this high-profile project took enormous efforts from the joint teams of the senior lenders, and their legal and technical advisers," noted head of IsDB's PPP division Noman Siddiqui.

Himmatilla Boriev, IsDB's Almaty Ring Road portfolio manager added: "The project is the first of its kind in the CIS and will serve as an excellent benchmark for international investors to exploit PPP models for infrastructure projects in the region in the near future."

Participants:

- Aequitas
- Allen & Overy
- Aon
- Arup
- Colibri Law
- Gide Loyrette Nouel
- Intesa Sanpaolo
- Kazdor Innovatsiya
- Kim & Chang
- PwC
- Seco International
- White & Case
- Willis Towers Watson

Asia Pacific data centre

Acquisition of 88% in AirTrunk

The Macquarie Infrastructure and Real Assets-led acquisition of an 88% equity interest in AirTrunk is the Asia Pacific Best Data Centre deal of the year.

MIRA led the investor consortium, including Canadian pension fund PSP Investments, that acquired its controlling stake from Goldman Sachs, Sixth Street Partners and AirTrunk's founder Robin Khuda.

The strategic acquisition was one of Asia Pacific's largest data centre transactions at more than A\$3 billion (\$1.84 billion). The deal signified the rapid growth of the data centre industry in the region and allowed AirTrunk to accelerate its ambitious expansion. Deutsche Bank was lead debt arranger.

APAC-focused AirTrunk is a hyper-scale data centre platform for large cloud, content, and enterprise customers. At closing, AirTrunk owned 5 data centres with a combined capacity of 450MW in Australia, Hong Kong and Singapore.

The North Sydney company ran a private sales process that received interest from several potential buyers. Infrastructure funds, pension funds, and strategic investors bid on the acquisition. AirTrunk also negotiated with Australia's Foreign Investment Review Board to ensure restrictions on bidders were minimised to optimise competitive tension.

The MIRA-led consortium submitted an inventive plan and investment structure for the AirTrunk founder and CEO. MIRA had negotiated with the founder that he would maintain a "material stake in the business" and would remain as chief executive under a long-term arrangement, supported by the existing executive management team.

The deal featured a financing package promoted by AirTrunk as part of the sales process. The asset-level financing package also contained market-leading features, allowing the company access to more financing to continue their regional expansion.

"AirTrunk's established APAC footprint and a clear path to expansion in other markets was important to the success of the transaction," said a deal adviser. "This is due to the region's emerging economies and growing populations, leading to substantial growth in data, a shift to the cloud and greater need for in-country workloads and storage."

Participants: Baker McKenzie, Deutsche Bank, DLA Piper, Gilbert & Tobin, Goldman Sachs, Grant Samuel, Hogan Lovells, King & Wood Mallesons, KPMG, Macquarie Capital, Norton Rose Fulbright, PwC

Asia Pacific telecoms

Acquisition of Jio Platforms

The acquisition of Jio Platforms is the Asia Pacific Best Telecoms deal of the year.

Thirteen financial and strategic investors acquired about 33% equity interest in Reliance Industries' Indian mobile communications operator Jio Platforms for more than Rs1.52 trillion (\$21 billion).

Investors were Facebook, Google, Silver Lake, Vista Equity Partners, General Atlantic, KKR, Mubadala, ADIA, TPG, L Catterton, Public Investment Fund of Saudi Arabia, Intel Capital and Qualcomm Ventures.

Google took a 7.73% equity stake on fully diluted basis for Rs337.37 billion.

Morgan Stanley was Reliance's financial adviser on this series of consequential transactions.

"Jio started with a vision of connecting everything by building a robust and secure wireless and digital network."

The Jio Platforms management team had brought "extraordinary engineering capabilities to bear on bringing the power of low-cost digital services to a mass consumer and small business population," said Silver Lake co-chief executive and managing partner Egon Durban.

In 2016, Mukesh Ambani, chairman and managing director of Reliance Industries, launched Jio Platforms subsidiary Reliance Jio Infocomm. Reliance crushed competition from more established mobile telecoms players, including Bharti Airtel Telecom and Vodafone India, by offering free voice calls throughout India.

Jio also swallowed younger brother Anil's Reliance Communications the following year and pushed Vodafone into a merger with another local player Idea Cellular Today. At closing, Jio Platforms' customer base was 398.3 million.

"Jio started with a vision of connecting everything by building a robust and secure wireless and digital network and extending the benefits of digital connectivity to everyone in India," Mukesh Ambani said. "Thirteen investors, which include the largest technology companies and investors globally, now share a common vision with us."

Participants

- AZB & Partners
- Davis Polk & Wardwell
- Latham & Watkins

Asia Pacific water – **Binh Duong Water Treatment Expansion**

The Binh Duong water treatment expansion is the Asia Pacific Best Water deal of the year.

Binh Duong Water Environment (BIWASE) – established by the Vietnamese government in 1975, privatised in 2016 and listed in Ho Chi Minh a year later – is a water and waste management company providing services to Binh Duong province in southern Vietnam. The company, however, has faced multiple challenges due to insufficient creditworthiness and slow transformation.

The project entailed corporate loans to support BIWASE's investment to expand Tan Hiep water treatment plant's production capacity by 100,000 m3 per day, construct a new raw-water transmission pipeline and serve the growing water demands from domestic customers and industrial zones.

"The company is the leading privatised company in Vietnam's water sector and operates with lowest level of non-revenue water in the country," said a deal insider.

Asian Development Bank and Japan International Cooperation Agency loaned BIWASE a combined \$16 million. The transaction was ADB's first viable private sector financing in Vietnam's water sector. The project represented the collaboration between local and international organisations to support the province in satisfying its rapidly growing water needs.

The financing package, including 2 parallel loans and technical assistance on a grant basis, strengthened BIWASE's creditworthiness and institutional capacity to provide water supply services. Besides, the one-stop solution loan facility supported BIWASE's transition from reliance on sovereign financing to private sector financing.

Binh Duong is one of the country's fastest developing provinces and has attracted \$5.7 billion of foreign direct investments since 2016. The region has the fastest-growing population in the country, putting pressure on water treatment, supply and distribution. Water demand annually grew 20% from 2016-2019. BIWASE projected that the water demand will exceed its capacity by 2021. The expansion will allow BIWASE to increase its water treatment capacity by 80%.

"BIWASE supplies water to this fast-growing province and has a total water production capacity of 311,300 m3/day, a total distribution pipe length of 4,276 kilometres, and more than 269,000 connections with service coverage of 78% of the province's population," said a project participant.

Participants

- IBIS Consulting
- Mayer Brown

Asia Pacific transport refinancing

WestConnex Toll Road Refinancing

The 2020 refinancing of the 33km WestConnex toll road is the Asia Pacific Best Transport Refinancing deal of the year.

WestConnex (WCX) is a critical part of the government of New South Wales' integrated transport plan, to connect Sydney's west and south-west to the commercial business district and the corridor to Sydney Airport and Port Botany.

Australia's largest road infrastructure project comprises 3 long-term concessions to 2060 – stage 1 (M4 motorway), stage 2 (M5 motorway) and stage 3 (M4-M5 link). Stage 3 is the only stage that remains under construction. Sections along Stage 1 and 2 have more than 20 years traffic history.

At closing, a consortium of Transurban, CPP Investments, Australian Super, and Abu Dhabi Investment Authority held 51% of the project company, while NSW government held the remainder.

UBS was financial adviser on the transaction that raised senior debt at the WCX group level to refinance existing debt in 100% owned M4 toll road. The financing vehicle behind WCX refinanced debt to raise A\$4.25 billion (\$3.22 billion), comprising A\$3 billion term loan facilities with tenors of 3, 5 and 7 years and a



A\$1.25 billion 2-year bridge facility.

Twenty local and international banks arranged the debt package. "The success of the transaction paves the way for WCX to implement its desired long-term capital structure," said a project participant. "The refinancing ... introduced a flexible group funding platform to which other WestConnex assets could be added in future."

The transaction represented one of the largest refinancing transactions in the Australian infrastructure sector in 2020. It also demonstrated the strength of the WCX project in getting a significant reduction in funding costs despite impacted traffic volumes and market conditions due to Covid-19.

"Tapping into the success and market appetite of the bank debt refinance, WCX is seeking to term out the bridge facility through an inaugural debt capital markets issuance," said a deal insider.

Participants: Agricultural Bank of China, Allens, ANZ, Bank of China, Bank of Communications, CBA, CIBC, CIC Bank, Clifford Chance, Crédit Agricole, Export Development Canada, ICBC, ING, King & Wood Mallesons, Korea Development Bank, Mizuho, MUFG, NAB, Scotiabank, SMBC, Société Générale, Westpac, White & Case

Asia Pacific mining

Okvau Gold Mine

Cambodia's Okvau Gold Mine, developed by Australia-listed Emerald Resources, won the Asia Pacific Best mining deal of the year.

The transaction was Cambodia's first-ever project financing of a mining project. The project is significant as it opens further opportunities in the region alongside establishing Emerald as a key player in the market. The financing agreement showcased the investors' commitment and financiers' confidence in the project.

The deal represented a unique funding arrangement between the lenders' requirements and the sponsor's objectives. Apart from the \$60 million debt facility provided by Canadian mining-focused asset manager Sprott Private Resource Lending II, Emerald also signed a \$100 million additional funding under an acquisition and development facility for future opportunities. The financing allowed Emerald to mobilise capital for the project development and pipeline.

Emerald, in addition, had placed \$3.5 million of its shares to Sprott. The subscription allowed Emerald to expand its footprint in Cambodia. The ASX-listed company is using the proceeds from this, and a \$75 million share placement on Okvau and regional exploration programme on Emerald's 1,426km² exploration footprint in Cambodia.

The subscription allowed Emerald to expand its footprint in Cambodia. In return, Sprott will have the exclusive right to fund future acquisition or development project opportunities.

The Okvau deposit, about 275km northeast of Phnom Penh, is one of the most advanced gold mines in Southeast Asia. The single open-pit mine has a 7-year mine life and an estimated capacity of 106,000 ounces of gold production per year. The gold mine has an 84% recovery rate and a head grade of 1.98 gram per tonnes.

The deal involved extensive negotiations between the lenders, sponsors, and Cambodian mining authorities. The advisers were able to accommodate the needs of all sides to obtain the mining license and financings, setting a precedent for an emerging market.

"Our team was required to engage heavily with Cambodian counsel in regard to the local law security and worked to overcome a number of jurisdictional and logistical hurdles to ensure perfection of the security in-country," said a deal adviser.

Participants:

- Renaissance Minerals
- Norton Rose Fulbright
- Sprott
- Euroz Securities

IJGlobal Awards 2020



MENA winners

The Middle East and North Africa dished up a fascinating array of infrastructure and energy transactions to have made it to financial close over the course of the judging period – the 2020 calendar year.

Here we have done our best to identify the most challenging and interesting to have made it over the line, singling out for praise the fruits of your (home-grown) labour in a very curious year to have been doing business.

Congratulations to all the winners.

Winners in the MENA transaction category are:

- Editor's Choice MENA – **Umm al Quwain IWP**
- MENA export finance – **Euler Hermes covered facility**
- MENA oil & gas – **Project Galaxy**
- MENA power – **Fujairah F3 Independent Power Project**
- MENA refinancing water – **Al Dur phase II IWPP refinancing**
- MENA refinancing O&G – **ADNOC Gas Pipelines Acquisition Refinancing**
- MENA refinancing Mining – **Ma'aden Wa'ad Al Shamal Phosphate Company refinancing**
- MENA renewables – **DEWA V**
- MENA renewables solar – **Al Dhafra Solar PV**
- MENA transport – **Cairo Monorail PPP**
- MENA renewables wind – **Genesis Wind Farm**
- MENA water desalination – **Jubail 3A**
- MENA social infrastructure – **Noor Abu Dhabi LED Streetlighting Phase 1 PPP**
- MENA water wastewater – **Umm al Hayman**

Editor's Choice MENA – Umm al Quwain IWP

IJGlobal editorial director **Angus Leslie Melville** taps MEA reporter **James Hebert**'s wisdom to choose the inaugural winner of the Editor's Choice Award for the MENA region...

This year we ploughed through 1,400 submissions for IJGlobal Awards 2020 – the highest entry level for many years thanks to ramped up marketing – and we raced to put company awards in front of our independent judging team while tackling deal entries ourselves.

Every year it's a relief to see entries for "the right transactions" – the ones you were hoping to see submitted... then holding them up for investigation to see if they look quite so good when compared with rivals. However, when it comes to the Editor's Choice Award... that's our prerogative.

James Hebert, resident IJGlobal MEA hand, was quick to identify the \$800 million Umm al Quwain IWP (UAQ) in the Emirate of Umm Al Quwain, United Arab Emirates, as a stand-out deal for the region that warrants recognition as the winner of the inaugural Editor's Choice Award for MENA.

This transaction primarily wins based on it being one of the first in the UAE to be backed by a federal sovereign guarantee rather than any of the individual Emirates.

Further, as part of the boom in regional water deals that has been linked with soft mini-perms, UAQ bucks the trend in that the \$688 million of senior financing was settled on a 24.5-year, partially-amortising term facility with an average debt pricing of 200bp.

And there's more. UAQ is the first IWP non-recourse project financing structure to have been procured by the awarding authority – Federal Electricity and Water Authority (FEWA) – and it is the largest desalination project in the Northern Emirates.

All those factors combine to make it the inaugural winner of the IJGlobal Editor's Choice for the Middle East and North Africa.

Umm al Quwain IWP

The UAQ project has been procured to deliver a 150 million imperial gallon per day (MIGD) greenfield seawater reverse-osmosis desalination plant that is being developed by ACWA Power, Mubadala and FEWA.

It is due to be commissioned in 2022 and, once completed, it will benefit from a 35-year water purchase agreement (WPA) with FEWA.

IWPPs in the UAE have historically been procured by EWEC, which has primarily been active in the Emirate of Abu Dhabi as well as Fujairah. More recently, new IWPP programmes were fostered in the neighbouring emirates of Dubai and Sharjah, under the remit of DEWA and FEWA. Each programme was supported by strong sovereign support and investment grade offtake wraps.

Suhail Mohamed Al Mazrouei



"This project is FEWA's first asset in partnership with the private sector. Its implementation will reinforce UAE's Water Security Strategy 2036 as well as bolster its core programmes."

FEWA launched its maiden IWP project under an international competitive tender in 2016 alongside a range of other power and water plants



Paddy Padmanathan



"This project is another example of our commitment to supply affordable potable water."

The IWP – without the added P for power – is a more recent development in the local market. FEWA launched its maiden IWP project under an international competitive tender in 2016 alongside a range of other power and water plants.

Despite benefiting from typical BOO features generally observed on comparable projects, the lack of procurement track record, the absence of investment-grade credit support and the unprecedented nature of the federal credit led to a comprehensive due diligence and project document negotiation process around the offtake structure. This was led by a core group of experienced international lenders that had been involved in the deal since bid submission.

The project was initially tendered in 2016 as a 45 MIGD IWP, subsequently awarded to ACWA Power. In parallel, Mubadala secured a pipeline of 135 MIGD of projects in the Northern Emirates. At the end of 2018, in the wake of competitive bids placed in the GCC for other IWPs, FEWA amended the process and merged the various projects into a single plant to allow for further optimisation of the tariff.

The new project, with total capacity of 150 MIGD, was re-developed in an accelerated timeline, including negotiations for a new land lease, EPC and O&M arrangements – which led to substantial economies of scale, making it more comparable to the benchmarked IWPs developed in parallel.

The offtake structure is based on a water purchase agreement contracted with FEWA, providing for a bankable risk allocation, availability-based cash flows and credit support issued by a strong investment-grade sovereign entity.

While this all appears in line with previous IWPs developed in the GCC, the length of the offtake is unprecedented with 35 years of operational life contracted to FEWA and 35 years of credit support provided by the UAE Ministry of Finance.

This landmark achievement supported the structuring of a long-term debt package, with a 24.5-year term loan partially amortising down to a residual balloon of 18%.

With an equivalent notional tenor of 28 years, this is one of the longest IWP project finance schemes to have closed in the Middle East without tenor-reducing cash sweeps.

This truly sets apart this financing structure from other greenfield financing funded on a soft mini-perm or hard mini-perm basis, making it a stellar winner of the Editor's Choice Award for the MENA region.

From those who made it happen

The consortium of ACWA Power, a global leader in water desalination and power generation, and MDC Power Holding Company, an entity fully owned by Mubadala Investment Company PJSC (Mubadala) worked with an international team of lenders and advisers to bring the deal to a successful conclusion in March (2020).

Under the terms of the agreement, FEWA holds a 20% of the stake, while ACWA Power and Mubadala each own 40%. The government of Umm Al Quwain will join as a partner in the project and will own a stake at a later date.

The gearing in Umm al Quwain IWP was 85:15 and the \$680 million debt package was signed on 7 November 2019 with the senior debt drawn in March 2020. A club of seven banks participated on the senior debt package: Standard Chartered (lead), First Abu Dhabi Bank, Korea Development Bank, MUFG Bank, Samba Bank, Siemens Bank and SMBC.

Standard Chartered Bank played a pivotal role in the financing while First Abu Dhabi Bank was the facility agent, security trustee and account bank. The lenders were advised by Norton Rose Fulbright on legal aspects and by Atkins on technical. Mazars was model auditor.

FEWA was advised by KPMG in a financial advisory role, working alongside Al Maqtari Auditing, Watson Farley & Williams was on legal with ILF Consulting Engineers providing technical advisory.

The principal adviser to the sponsor was Clifford Chance and much of the consulting element was provided by internal functions.

Laughlan Waterston – head of corporate and project finance at SMBC's Middle East department based in Dubai – said: "We were pleased to support this vitally important project for the Northern Emirates, not only the largest desalination plant in the Northern Emirates but one of the most advanced in the region, using highly efficient seawater RO technology to produce nearly 700,000 cubic metres per day of competitively priced clean water for local businesses and residents. This is a role model for future desalination projects to follow."

Rajit Nanda



"We are delighted to have shown FEWA that we are a partner of choice through the timely financial close of this project."

Suhail Mohamed Al Mazrouei, UAE Minister of Energy & Industry and chair of FEWA, said: "This project is FEWA's first asset in partnership with the private sector. Its implementation will reinforce UAE's Water Security Strategy 2036 as well as bolster its core programmes."

Paddy Padmanathan, president and chief executive of ACWA Power, also speaking at the time of financial close said: "Successfully achieving financial closure at this stage is testament to the readiness of the market for private-public partnerships.

"It also reflects ACWA Power's strong financial standing and reliability as well as the credence we have gained from global and financial institutions that has been developed over years of successful operations and partnerships.

"This project is another example of our commitment to supply affordable potable water to more people by developing efficient water infrastructure that will cater for the growing demand in the country."

Rajit Nanda, ACWA Power chief investment officer, added at the time: "Umm Al Quwain IWP marks a special moment for us, not only because it is the largest desalination project in Northern Emirates but also due to its role in the development of the first IWP non-recourse project financing structure for FEWA that will deliver value for years to come.

"We are delighted to have shown FEWA that we are a partner of choice through the timely financial close of this project and our contribution to securing cost-effective and energy efficient potable water supply for the Northern Emirates.

"This project is a strong indicator of how ACWA Power has developed a stronghold in the United Arab Emirates. We look forward to capitalising on this opportunity and supporting the envisioned growth for the country." ■

MENA export finance – Euler Hermes covered facility

The IJGlobal export finance award for the Middle East and North Africa has this year been won by HSBC and Euler Hermes for the role they played on a major transaction in the Kingdom of Saudi Arabia.

HSBC acted as a mandated lead arranger, an original lender and the agent bank in regards to the \$258 million export credit facility supported by Euler Hermes, the official ECA of Germany. Credit Agricole is structuring bank.

The facility was extended to the Saudi Arabian Ministry of Finance to finance the purchase of buses from MAN Truck & Bus SE and EvoBus GmbH – a subsidiary of Daimler AG – for the new Riyadh public transport network.



The buses will help reduce greenhouse gas emissions and air pollution as well as alleviate traffic congestion in the metropolitan Riyadh area through a shift towards public transportation.

The bus fleet will integrate with a new metro system that is currently under construction in Riyadh, with the entire project estimated to remove 250,000 car trips from the city every day.

Particularly of interest is that this facility was structured to be compliant with the Green Loan Principles, as outlined by the Loan Market Association in 2018. The loan documentation confirms a commitment to report on positive environmental impacts of the underlying project.

This is the first such ECA-covered transaction in the kingdom and is understood to be the first “Green” ECA facility in the Middle East. It is also the first ECA facility raised by the kingdom’s finance ministry.

This transport deal forms part of the Saudi finance ministry’s strategy to support the completion of major development projects in the kingdom with increased contributions from the private sector. To this end, it is encouraging project owners in the public and private sector to adopt similar sources of finance.

Given the pace at which Saudi Vision 2030 – a comprehensive programme to reduce Saudi Arabia’s dependence on oil, diversify its economy, and develop public service sectors – moves is likely that transactions of this nature will become increasingly common on the ground.

MENA Refinancing Water – Al Dur phase II IWPP refinancing

The award for MENA water refinancing deal of the year has been won by ACWA Power for the refi of the Al Dur Phase II IWPP located in Bahrain.

This transaction consisted of the replacement of around 44% of the senior financing which is of particular note as this pioneering deal was brought to conclusion within the construction period. This is a first in the annals of project financing across the entire GCC/MENA region.

The refinancing had to be affected without triggering any defaults within the existing project financing. This involved close interactions with all stakeholders including inter alia the oftaker, the oftaker’s advisers, the existing lenders and the lenders, legal, technical and insurance advisers.

Due to these constraints, the replacement of SFD had to be put in place within a tight six-month period.

The sense of urgency as to limiting any negative impact on the project schedule and the project economics also rose due to the occurrence of the Covid-19 pandemic.

The project sponsors looked for a solution which had to be structured accordingly, as the credit markets shifted to tighter commercial terms and more stringent due-diligence requirements, such as banks requiring additional diligence on Covid-19 preparedness.

Given that SFD facility was a tightly priced financing and was being replaced with commercial debt; and the lender requirements in terms of coverage ratios had to be met – a mezzanine tranche was introduced. This is the first instance of a project recourse mezzanine structure for any IPP/IWPP in Bahrain and only the second instance of fully project recourse mezzanine in GCC IPP/IWPP space.

The refinancing was oversubscribed to the extent of 1.3 times, with additional financing committed by 3 existing senior lenders (APICORP, Bank Saudi Fransi, Riyad Bank) and 3 new lenders (Al Rajhi Bank – both senior and mezzanine, Arab National Bank, National Bank of Bahrain).

The refinancing was given effect through an innovative two-step process. This was done to ensure that the project was not under-funded at any point of time and that the construction schedule was not negatively impacted.

Advisers

- Shearman & Sterling
- Deloitte

MENA refinancing O&G – ADNOC Gas Pipelines Acquisition Refinancing

The award for MENA Oil and Gas Refinancing deal of the year has been won by Galaxy Pipeline Assets BidCo for the refinancing of its participation in Abu Dhabi National Oil Company’s (ADNOC) natural gas pipeline business.

The project won thanks to its significance to the UAE oil and gas sector and the sponsors’ recurrence to capital markets.

The project centres on the \$4 billion bond refinancing secured by Galaxy Pipeline Assets BidCo that follows an even more significant deal from earlier in 2020 – a transaction that also features in these pages.

In 2020, the Global Infrastructure Partners-led consortium bought a 49% stake in Abu Dhabi National Oil Company’s natural gas pipeline business for \$10 billion, including \$8 billion of debt.

The fresh bonds refinance half of the loans raised by the consortium, which also includes Brookfield Asset Management, Snam, OTHP, GIC and South Korean investor NH Investment & Securities.

A \$320 million debt service reserve facility was also put in place alongside the bond, provided by a 12-strong bank lending club.

The transaction was reportedly the largest single global energy infrastructure deal in 2020 and the MENA region’s biggest. It will unlock \$10.1 billion in foreign direct investment into the United Arab Emirates.

ADNOC’s gas network is a core piece of midstream infrastructure in the UAE and serves as a strategic pipeline system, which acts as the critical link between UAE low-cost natural gas supply and robust in-country demand.

This agreement is the largest transaction since ADNOC announced the expansion of its partnership and investment model in 2017, which aims to unlock value for ADNOC.

Since then, ADNOC has entered the debt capital markets for the first time, issuing a \$3 billion bond backed by the Abu Dhabi Crude Oil Pipeline; partially floated ADNOC Distribution, the first-ever IPO of an ADNOC Group company; and entered into several strategic partnerships in its drilling, refining, fertilizer and trading businesses, among others.

This is the latest development on the ground that exemplifies ADNOC’s pioneering spirit.

Advisers

- Citigroup
- HSBC
- Clifford Chance
- Latham & Watkins
- Mazars

MENA power

Fujairah F3 Independent Power Project

When it comes to power projects, *IJGlobal* rarely has to look far in the Middle East and North Africa for inspiration when it comes to picking a winner for an award. And so it was this year when Fujairah F3 IPP stood out as the obvious winner.

This project is to deliver a 2-2.4GW combined-cycle gas-fired power plant at Qidfa in the Emirate of Fujairah, on the Gulf of Oman. This will be the third of the three power/water installations at the Qidfa complex, adding to the operational F1 and F2 IWPP.

The project was tendered by Emirates Water & Electricity Company (EWEC) with Marubeni declared the first-ranked shortlisted bidder and going on to sign the PPA in February 2020 and progressing to reach financial close mid-June.

This was achieved in the midst of the Covid-19 pandemic, despite travel lockdowns imposed across multiple jurisdictions, and while working with a large and geographically wide-spread financing group that ranged from Japan to the UK.

The total project cost is \$1.2 billion and financing was provided through \$900 million



of non-recourse senior debt, a \$200 million equity bridge loan, and a VAT facility. The senior debt corresponds to 80% of the total funding that was delivered via a long-dated, soft mini-perm structure provided by JBIC and a group of commercial banks.

In addition to the typical project costs, a VAT facility was secured from Standard Chartered Bank to fund VAT cash flows during construction.

One of the stand-out data points from this transaction is that it marked the first time

that JBIC had provided a soft mini-perm financing.

The project will be critical to ensuring security of supply for the UAE grid in the coming era of significant intermittent renewable generation coming online, providing flexibility to the UAE's power grid, setting a significant example for others in the GCC to follow.

Advisers

- Alderbrook
- Cranmore Partners
- PwC
- White & Case
- Herbert Smith Freehills
- Norton Rose Fulbright
- Clifford Chance
- Afridi & Angell
- Al Tamimi
- Fichtner
- Lummus Consultants International
- Operis
- Willis Towers Watson

MENA oil & gas

Project Galaxy

It will come as little surprise to regular readers of *IJGlobal* that a mammoth deal like Project Galaxy should win the oil and gas award for the Middle East and North Africa given its size and implications for the market.

Project Galaxy involves the sale of 49% of non-operated interest in the Abu Dhabi National Oil Company (ADNOC) sales gas and natural gas liquids (NGL) transportation pipelines network. The newly-formed ADNOC Gas Pipeline Assets LLC has lease rights to 38 pipelines covering 982.3km.

ADNOC – the state-owned oil company of the UAE – will pay ADNOC Gas Pipelines a volume-based tariff for the use of pipelines that transport sales gas and NGL from upstream assets to Abu Dhabi's key outlets and terminals.

A consortium group composed of Brookfield Asset Management, GIC, Global Infrastructure Partners, NH Investment & Securities, Ontario Teachers' Pension Plan and SNAM was selected to participate in Project Galaxy. The largest brownfield acquisition in 2020 was financed through mix of equity and bank debt provided by 17 international and regional banks. It was all



the more impressive for being able to raise \$7.96 billion of loans during the pandemic, and at a time of low oil and gas prices.

The almost \$10 billion acquisition price for the stake was financed by a bridge-to-bond facility and the transaction represents the largest energy infrastructure related financing in the Middle East.

The financing and hedging transactions were implemented on a fast track basis in line with the acquisition timeline. The signing of finance documents occurred on 23 June and financial close was completed by 15 July.

This innovative transaction structure allows ADNOC to tap new pools of global institutional investment capital, while maintaining full operating control over the assets included as part of the investment.

It also signals continued strong interest in ADNOC's low-risk, income-generating assets, and sets another benchmark for large-scale energy infrastructure investments and monetisation in the UAE and the wider region.

Advisers

- Bank of America
- First Abu Dhabi Bank
- Mizuho Securities
- Moelis & Company
- Morgan Stanley
- Linklaters
- DLA Piper
- Dentons
- Latham & Watkins
- Clifford Chance
- Simpson Thacher & Bartlett
- Arup



MENA refinancing mining

Ma'aden Wa'ad Al Shamal Phosphate Company refinancing

The award for Middle East and North Africa mining refinance deal of the year has been won by Ma'aden Wa'ad Al Shamal Phosphate Company (MWSPC) for its corporate refinancing.

The project won thanks to the Saudi Arabian Mining Company's (Ma'aden) subsidiary Ma'aden Wa'ad Al Shamal Phosphate Company – ably assisted by financial advisers BNP Paribas and Samba Capital – combining debt transfer and refinancing in an effective manner.

The transaction consisted of the rescheduling of its SAR6.7 billion (\$1.8 billion) indebtedness owed to the Public Investment Fund. The company further transferred the indebtedness owed to the Public Investment Fund to the Public Pension Agency.

MWSPC also secured the refinancing of its indebtedness owed to a syndicate of commercial banks and other financial institutions using the proceeds of new indebtedness provided by a syndicate of nine commercial banks.

The entire value of refinancing is SAR8.6 billion (\$2.3 billion) and the new financing

facilities provide attractive and flexible corporate loan terms and conditions in place of the more restrictive project financing terms and conditions originally put in place.

The “covenant-lite” terms of the refinancing arrangements, combined with an extended debt repayment schedule, are a step towards significantly strengthening the long-term cash flow position for Ma'aden as part of its strategy to pursue new growth and development projects.

The transactions included simultaneous negotiation with two Saudi government entities and a group of commercial banks. It was closed during early part of Covid-19 lockdown in the Kingdom of Saudi Arabia.

The financial institutions to have supported this deal are Alinma Bank, the National Commercial Bank, Al-Rajhi Bank, Bank Albilad, Riyad Bank, Saudi British Bank, Bank AlJazira, Samba Bank, Saudi Fransi Bank.

The MWSPC integrated phosphate fertiliser production complex operates out of the Wa'ad Al Shamal Minerals Industrial City and is understood to be one of the largest in the world. It comprises a \$8 billion joint venture

investment between Ma'aden (60%), The Mosaic Company (25%) and SABIC (15%).

Ma'aden chief executive Abdulaziz Al Harbi said: “The refinancing of Ma'aden Wa'ad Al Shamal Phosphate Company was a strategic move for Ma'aden that significantly strengthened our long-term cash flow position and enabled us to pursue new growth and development projects. It is good to see such strong appetite from banks to lend to MWSPC despite the market challenging conditions.

“We are pleased to see that the market recognises this as the winning deal. It gives us an extra boost to continue our success growth story. As Saudi Arabia's national mining champion, we continue to play a key contributing role in the economic diversification under Vision 2030.”

Advisers

- BNP Paribas
- Samba Capital
- Allen & Overy
- White & Case



Contributing to Food Security Around The World

MA'ADEN Footprint



Phosphate 3 – the next phase of Ma'aden's commitment to leading the phosphate fertilizer market

\$6.4 Billion investment

3 Million tons of added phosphate fertilizer capacity

9+ Million tons of total phosphate fertilizer production capacity

Ma'aden, Saudi Arabia's national mining champion, is one of the fastest-growing global mining companies and the largest multi-commodity mining and metals company in the Middle East

maadenKSA
maaden.com.sa

MENA Renewables – DEWA V

When it comes to renewable energy projects in the Middle East and North Africa, few can hold a candle to the glorious 900MW DEWA Phase V IPP in Dubai which reached financial close in October in the midst of the Covid-19 outbreak.

This project stands out for many reasons, one of them being that it achieved one of the world's lowest solar PV tariffs at \$1.6953 cents per kWh and successfully preserved the tariff to achieve financially close in spite of turmoil in the financial markets caused by the pandemic.

The EPC contractor is Shanghai Electric while the O&M partner is NOMAC, ACWA Power's wholly-owned subsidiary specialised in operating power and water projects across multiple technologies.

The sponsor team leveraged its experience and expertise from previous DEWA projects and factored in the potential impact of Covid-19 in the construction schedule to further facilitate project execution.

The senior debt amounted to \$419.5 million including both base commitment and standby commitment from a group of nine regional, international and Chinese banks. Meanwhile the junior debt amounted to \$112.5 million, provided by three lenders to improve project economics and further increase tariff competitiveness.

ACWA Power – as lead sponsor – received commitment from several international and regional lenders during the tender process, but these were whittled back on the basis of price competitiveness and adherence to terms.

The debt has a 27-year door to door tenor – project completion plus 24 years – with one-year tail against a 25 year PPA, all on a soft mini-perm basis.

The deal represents one of the few projects in the region that managed to retain Chinese bank participation as the banks drastically scaled back their long-term overseas lending during the year.

Also noteworthy for this transaction, this was the first time for any IPP in UAE that there was no government guarantee to backstop termination payment obligations of the offtaker, leaving sole recourse to the offtaker.

Advisers

- EY
- ACWA Power
- Trowers & Hamlin
- Norton Rose Fulbright
- Covington & Burling
- GOPA - International Energy Consultants
- Mercado Aries
- WSP
- INDECS
- Deloitte
- Lockton
- 5 Capital

MENA Renewables Solar Al Dhafra Solar PV



When it comes to solar projects in the Middle East and North Africa region, big is beautiful... and on that front alone the 2GW Al Dhafra solar PV development in the UAE ticks a very significant box.

This mega solar park is a strategic project for the UAE and comes with strong support from the government as part of its commitment to source 50% of its energy from clean resources by 2050. Al Dhafra goes a long way to meeting these targets as it will generate electricity equivalent to the consumption of 160,000 households.

An interesting point is that this is the first plant of such scale to deploy bifacial module technology, capturing as such light on both sides of the PV modules and thus benefitting from the reflection of light from the ground in order to yield higher generation.

And this deal set new records with the sponsors at financial close claiming to have achieved the worldwide lowest electricity cost.

The solar park itself spans more than 20 square kilometres featuring 4 million PV modules and the project sponsors – EDF Renewables (EDFR), Jinko Power, TAQA and Masdar – are working in partnership with EPC contractor China Machinery Engineering Corporation.

Construction started in October 2020 and the project has a 30-year PPA with EWEC for 100% of produced electricity, as of completion.

Olivier Bordes, chief executive of EDF Renewables Middle East, said: "This project clearly demonstrates our ambitions to deliver competitive, innovative, and low-carbon energy solutions and to support the United Arab Emirates clean energy vision towards a sustainable future. EDF's CAP 2030 strategy is in line with the regional ambitions aiming to reduce the middle eastern countries' carbon footprint. We are thriving to expand renewable energies in the region to fight together the global climate change, and above all are looking forward to successfully reaching, with our partners and contractors, the full commissioning of Al Dhafra PV project."

Advisers

Alderbrook, Synergy Consulting, Clifford Chance, Norton Rose Fulbright, King & Spalding, Linklaters, Shearman & Sterling, White & Case, ILF Engineers, Mercado Aries International, DWPF, AON, INDECS

MENA transport Cairo Monorail PPP

The lure of a monorail project is too much for the *IJGlobal* editorial team not to give this fantastic deal an award... and being the longest mass transit solution of this format in the world, it is a worthy winner of MENA transport accolade.

The \$4.5 billion Cairo Monorail PPP is the first of its kind in the MENA region and it will have a significant impact on the ground once it opens for service in 2023, offering a fast connection between Cairo and its neighbouring cities, slashing commute times and reducing congestion.

The transport ministry division National Authority for Tunnels (NAT) put out the tender for the PPP in 2018 as a priority public services project, mandated by the Egyptian government. Bombardier won the contract the following year (2019) to develop the monorail system alongside 2 Egyptian companies – Arab Contractors (construction) and Orascom Construction (EPC).

The two-line project will be the first mass transit links between Greater Cairo, the new capital and 6th of October City. Work includes building 34 stations, maintenance facilities, depots and an operations control centre.

Cairo Monorail will have the capacity to transport around 45,000 passengers an hour in each direction at full capacity and – once complete – it will cover almost 100km.

The €1.9 billion financing was provided by commercial banks with JP Morgan acting as facility agent alongside eight other lenders, and UK Export Finance (UKEF) guaranteeing the largest amount of financing it has ever provided for an overseas infrastructure project. The loan has a 14-year tenor and a maturity date of 18 December 2034.

Bombardier will design, supply and install rolling stock as well as the electrical and mechanical equipment for the project. The rolling stock will be manufactured in Derby, UK. Bombardier will also provide project management, systems engineering and integration, and test and commissioning for the trains and signalling. Orascom's work includes the design and construction of all infrastructure and civil works. The consortium will operate and maintain both lines for 30 years.

Advisers

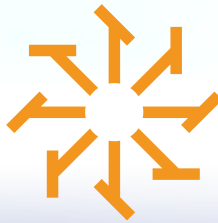
- Ashurst
- White & Case
- Zaki Hashem & Partners
- Khatib & Alami
- SACE
- CESCE

GENERATING LOW CARBON ELECTRICITY

WIND + SOLAR + STORAGE

HELPING THE MIDDLE EAST ACHIEVE NET ZERO

الظفرة
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Dhafrah
Energy

WORLD'S LARGEST SINGLE SITE SOLAR POWER PLANT

160,000+
homes powered
with clean energy

4+ million
bifacial PV
modules

20+ m²
surface area
in the desert

MENA renewables wind

Genesis Wind Farm

Israeli power developer Enlight Renewable Energies overcame numerous delays, global economic turmoil, the Covid-19 pandemic and issues with the ministry of defence to win this year's *IJGlobal* award for wind energy in the Middle East and North Africa.

Enlight reached financial close on its NIS1.2 billion (\$333.5 million), 189MW Genesis Wind Farm in mid-April (2020) marking a crucial milestone for a project that started life as a 50MW project in 2011.

It had to contend with more than its fair share of challenges that included delays prompted by the Israeli Ministry of Defence (MoD) over disruption concerns for a nearby radar system.

The shareholders of the SPV are Enlight Renewable Energies (60%) and Aviram Group (40%) and the project financing is heavily geared towards the debt-side with a gearing of 87:13. Lenders on the NIS1.05 billion (\$291 million) debt package are Bank Hapoalim (mandated lead arranger), Migdal Insurance Company and Amitim Pension Fund.

The tenor on the debt is 19 years plus two years for construction. Energy will be



sold through a 20-year PPA to the Israel Electric Corporation (IEC) and sponsor revenues are expected to be as high as NIS160 million (\$44.5 million) annually.

The Bank Hapoalim-led lender team signed MoUs with the sponsors in July 2019, not long after the High Court of Justice rejected a petition from the Society for the Protection of Nature in Israel to delay the project due to wildlife concerns.

The project required further approvals and despite receiving approval from the National Infrastructure Committee in July 2018, Enlight said in a December 2018 release – at this stage awaiting approval from the National Housing Cabinet – that “there is no

certainty that the project will be completed”. Finally, financial close was achieved in April.

While enduring these numerous hurdles, the installed power capacity of the project was increased – partly by necessity from interventions by the MoD – from 50MW to 130MW and finally to 189MW.

Genesis wind farm is expected to begin commercial operations by the end of 2022.

Advisers

- Herzog Fox & Neeman
- Meiter
- Tractebel

MENA water desalination

Jubail 3A

The Middle East and North African water desalination award has been won by Jubail 3A – a significant IWP project in the eastern province of Saudi Arabia with a 600,000 metres per day reverse osmosis capacity.

The IWP split from Jubail 3 IWP in May 2019 and the sponsors signed with Saudi Water Partnership Company (SWPC) a 25-year water purchase agreement (WPA) with a tariff of SR1.54861/m³ (\$0.412963) in April (2020), following project award the month before.

The project is the first to be awarded under SWPC's seven-year statement plan that aims to reduce the level of water stress in the kingdom through the development of an additional 5.5 m³/day of desalination capacity up to 2024. It will be one of the largest privately-owned desalination plants in the world and will greatly contribute to Saudi water security efforts.

The 25-year WPA was signed with SWPC by a consortium led by ACWA Power, working in partnership with Gulf Investment Corporation (GIC) and Al Bawani Water & Power Company (AWP).

Under the terms of the partnership, the consortium will design, construct,



commission, operate and maintain the desalination plant as well as associated potable water storage and electrical special facilities.

Beyond achieving the lowest tariff level for closed water projects in the region, the project set a benchmark for procurement timeline, successfully navigating challenges imposed by the Covid-19 lockdown.

The project secured debt funding commitments from a diverse group of lenders – Al Rajhi Bank, Riyad Bank, Abu Dhabi Islamic Bank and Mizuho Bank. In addition to securing the total debt and

equity bridge loan commitments for the project during challenging times, sponsors also placed hedges for both senior debt and equity bridge loan. The senior debt was arranged in the form of Istisnaa-Ijara Islamic structure for \$95 million, Wakala-Ijara Islamic structure of \$220 million, conventional soft mini-perm structure of \$166 million. The \$66 million EBL was also structured on an Islamic basis.

Advisers

- Alderbrook
- Banque Saudi Fransi
- Synergy Consulting
- KPMG
- DLA Piper
- Covington & Burling
- Norton Rose Fulbright
- Hogan Lovells
- Fichtner
- Atkins
- Afry
- Indecs Consulting
- Deloitte
- Marsh

MENA social infrastructure

Noor Abu Dhabi LED Streetlighting Phase 1 PPP

When it comes to social infrastructure transactions, there are few that can boast the simplicity of street lighting projects while concurrently celebrating immediate environmental and financial gains.

To this end, it was a shoo-in for Abu Dhabi to win the social infrastructure award for having brought to market and closed the first phase of Noor Abu Dhabi LED Streetlighting PPP.

Abu Dhabi City Municipality (ADM) in August 2020 reached financial close with local developer Tatweer on the DBFOM contract for a street lighting replacement project for traffic assets and systems operation and management. The tender was conducted by the Abu Dhabi Investments Office (ADIO).

Tatweer is charged with replacing at least 43,000 streetlights in Abu Dhabi with energy-efficient LEDs, which are being supplied by Italian lighting firm AEC Illuminazione.

ADM launched the project procurement process in January 2018. ADIO says it was structured as a public-private partnership through its Dh10 billion (\$2.7 billion) PPP



model to support and invest in new infra in the emirate.

The project is financed with a gearing of 80:20 as per requirements in the project documents.

Tatweer will install and maintain a smart central system to control the new LEDs throughout the 12-year concession period of the DBFOM contract with energy saving targets set by the ADM, which in turn will pay the concessionaire on a formula based on actual energy use as measured by the smart central system.

ADM is expecting cost savings of up to Dh264 million (\$71.9 million) and at least enough energy savings to power 8,000 homes.

The project was so successful that in October (2020), the Department of Municipalities and Transport (DMT) through Abu Dhabi City Municipality (ADM) and the Abu Dhabi Investment Office launched Phase 2 of Noor Abu Dhabi.

The new PPP project is more than three times the size of Phase 1 and will result in significant electricity savings of almost 2,400 million kWh, a reduction of some 76% in power consumption... which is equivalent to cost savings of AED705 million, throughout the 12-year concession agreement.

Advisers

- Allen & Overy
- Synergy Consulting
- Parsons Corporation

MENA Water Wastewater

Umm al Hayman

Every bit as important as the provision of potable water in the Middle East and North Africa is the treatment of wastewater and Umm al Hayman (UAH) is an excellent example of this.

UAH reached financial close in July 2020 and involves the construction of the plant within the boundaries of the current Umm Al Hayman purification plant located 50km south of Kuwait City.

The plant will treat wastewater with an initial capacity of 500,000 cubic meters of average daily flow. It also includes the construction of sewage and treated water lines from Egailah pumping station to the new station, 300 sewage rising mains and 68 ground reservoirs, together with a major power transformer station.

The new sewage treatment plant can further expand by 200,000 cubic meters per day, ultimately reaching a final capacity of 700,000 cubic meters per day. The project is split into two parts, one developed on a BOT basis and the second is DBO.

UAH is one of the world's largest wastewater projects and is being built to dispose of the wastewater from southern



Kuwait and to supply agriculture and industry with process water. WTE will deliver a complete package from wastewater collection, treatment, and distribution to energy generation, composting and plant operation – as a one-stop solution.

WTE is the general contractor responsible for design and construction of UAH with a contract value of around €600 million as well as – together with partners – a sewer network with pumping stations (contract value €950 million). With a construction volume of just under €1.6 billion (excluding financing and operating costs), this is considered one of the world's most complex water projects.

It involves a complex financing structure and is one of the largest PPP projects in the Middle East. The consortium of

International Financial Advisors (IFA) and WTE Wassertechnik on behalf of the Ministry of Public Works Kuwait ensures the expansion of advanced infrastructure and sustainability-oriented areas in the region.

Advisers

- HSBC
- KPMG
- Norton Rose Fulbright
- Hogan Lovells
- Covington & Burling
- ASAR Legal
- Al Bader Law Office
- Al Tamini
- Fichtner
- Mazars

IJGlobal Awards 2020



Africa winners

This last year – 2020 – saw perhaps the most diverse range of infrastructure and energy awards to win prizes ever in the *IJGlobal Awards*' history.

Sadly we were not able to include Mozambique LNG as it did not actually reach financial close until spring 2021 – though it was entered by many companies – but we are confident it will make an appearance in our next award! The breadth of projects closed demonstrates something many in the infra know well – Africa is open for business.

Congratulations to all the winners.

Winners in the African transaction category are:

- Editor's Choice Africa – **Atinkou CCG**
- African mining – **Tasiast Gold Mine Financing**
- African oil & gas – **Nigeria LNG Train 7**
- African transport – **BeitBridge Border Post Modernisation Project**
- African refinancing renewables – **Bokpoort CSP**
- African power – **Azito Phase IV Project**
- African renewables portfolio – **Financing of 7 Solar Projects in Angola/ Angola Solar PV**
- African battery storage – **Golomoti Solar PV and Battery Energy Storage Project**
- African digital infrastructure – **Project Lightning**
- African social infrastructure – **Cote d'Ivoire Hospital & Medical Units Portfolio**
- African export finance – **SGR Financing**
- African Refinancing Mining – **Resolute**

Editor's Choice Africa – Atinkou CCGT

IJGlobal editorial director **Angus Leslie Melville** joins forces with MEA reporter **James Hebert** to single out the Editor's Choice Award for Africa – the 390MW Atinkou CCGT in Côte d'Ivoire

There are few developments in the global infrastructure and energy sector that get the juices of an infra hack flowing more than financial closes in Africa. For years people have been hailing the continent as one of the true regions for growth – on a country-by-country basis, they caveat – with an exciting array of developments and ambitions on the drawing board.

Energy (in all its many guises) tends to top most folks' lists when it comes to Sub Saharan Africa and IJGlobal MEA hand – James Hebert – is very much of that mind in choosing the regional IJGlobal Editor's Choice Award, singling out for honours the Atinkou combined-cycle, gas-fired power plant in Jacquelineville some 40km west of Abidjan, Côte d'Ivoire.

This project relates to the development and operation for 20 years of a 390MW natural gas-fired power plant using highly efficient combined-cycle turbine technology, increasing production and improving energy supply in Côte d'Ivoire.

The sponsor of the project is Eranove – a pan-African company active in the management of public services and production of electricity and drinking water – created the Atinkou company for the implementation of this important development project.

The new Atinkou power plant will boost power generation and supply in a country

where only 66% of the population have access to electricity (2017 stats). By using combined-cycle turbine technology, the plant will substantially contribute to reducing Côte d'Ivoire's generation costs and GHG emissions, in part, through the displacement of older generation units.

This is a key development for the nation, beyond providing baseload energy, it helps set Côte d'Ivoire on the path to transitioning its energy sources – ticking a nice ESG box – by providing stability in electricity generation as more intermittent renewable energy sources are developed in the nation.

IFC to the fore

As lead arranger and overall coordinator, the IFC negotiated all the debt financing. Atinkou worked closely with the IFC to pull together an impressive line-up of DFIs to finance this greenfield power project.

This work proved so successful that the World Bank member was able to scale back its ticket from the €120 million it had committed, to the €91 million it contributed to the overall €303 million debt package.

The IFC's success was so complete that by the time this deal made it to financial close – 26 March 2020 – it was not even the biggest ticket holder as the African Development Bank came in for €100 million. The remaining debt was provided by The Emerging Africa Infrastructure Fund,

François-Guilhem Vaissier



"I was very proud to advise Eranove and Atinkou on this landmark transaction that will generate more than 350MW following completion of the works."

DEG, FMO, the OPEC Fund for International Development and Attijariwafa Bank.

Eranove is majority-owned by ECP Power and Water Holding (France) with a 53% shareholding; followed by AXA with 18%; Eranove employees with 15%; a group of African private investors holding 9%; and the Caisse Nationale de Prévoyance Sociale (CNPS) of Côte d'Ivoire on 5%. It deployed €101 million in equity to give the financing a very respectable 75:25 gearing.

There was a highly-respected line-up of advisers on this deal with White & Case acting as Atinkou's international legal counsel led by partners François-Guilhem Vaissier (project documentation) and Paule Biensan (financing documentation). Atinkou's Ivorian legal counsel was C2A, led by Pierre Djédjé.



Vincent Le Guennou, co-chief executive of Emerging Capital Partners (left) and Marc Albérola MD of Eranove

Clifford Chance acted as the lenders' international legal counsel, fronted by Paris-based partner Delphine Siino Courtin, while their local law firm was Cabinet Chauveau & Associés with Tanneguy Cazin d'Honincthun taking the lead. Willis was insurance adviser to the lenders while WSP supported it on technical issues.

The contractor is TSK Electronica y Electricidad while Siemens is supplying the turbine and long-term service function. Ramboll was environmental and social adviser, supported by Deloitte as financial model auditor.

A project with impact

This power plant will provide Côte d'Ivoire with stable base load electricity to support economic growth and the development of intermittent renewable energy generation – playing a key role in the national energy transition.

On the clean energy front, it is a clear step in the right direction as it replaces older, less efficient power plants in Côte d'Ivoire which will now be retired. Further, it is roughly 50% more efficient than the older plants.

Siemens Energy's scope of supply includes one SGT5-4000F gas turbine and one SST5-3000 steam turbine, each along with a generator, condenser and an SPPA-T3000 control system. Additionally, a comprehensive 12-year long-term service agreement (LTSA) has been signed between Atinkou and Siemens Energy.

The SGT5-4000F gas turbine provides high performance, low power generation costs, long intervals between inspections, and a service-friendly design. Optimized flow and cooling add up to high gas turbine efficiency and economical power generation in combined cycle applications.

Karim Amin, executive vice president of Siemens Energy's generation division said: "Supported by our state-of-the-art technology and services, this power plant will be the most efficient natural gas fired power plant in Côte d'Ivoire and in the region. It will help to reduce the area's carbon footprint from power generation and support Côte d'Ivoire in its efforts to become a regional energy hub."

For Eranove's side, this deal cements its position as the key player in Ivorian energy generation as it also owns and operates the 544MW CIPREL project in Vridi, near the town of Port-Bouët. It is the largest power plant in Côte d'Ivoire.

Marc Albérola, chief executive of the pan-African industrial group Eranove, said: "The Atinkou power plant will produce electricity for thousands of homes and industries to meet national and regional electricity needs generated by strong economic growth."

As is the case with many deals in Africa the involvement of DFIs was essential to get it over the line – though hopefully we will soon be moving to a position where the role of such organisations morphs into playing the role of "crowding in" rather than dominating the market.

Linda Rudo Munyengerwa, IFC's regional industry director for infrastructure and natural resources (MEA), said at financial close: "Once built, Atinkou will provide affordable power to thousands of homes and businesses, while helping Côte d'Ivoire meet its goal of transitioning to greener electricity production."

"IFC's investment in the project is a testimony to IFC's longstanding commitment to Côte d'Ivoire's power sector, which began in 1994, when our partnership with CIPREL began."



"Once built, Atinkou will provide affordable power to thousands of homes and businesses, while helping Côte d'Ivoire meet its goal of transitioning to greener electricity production."

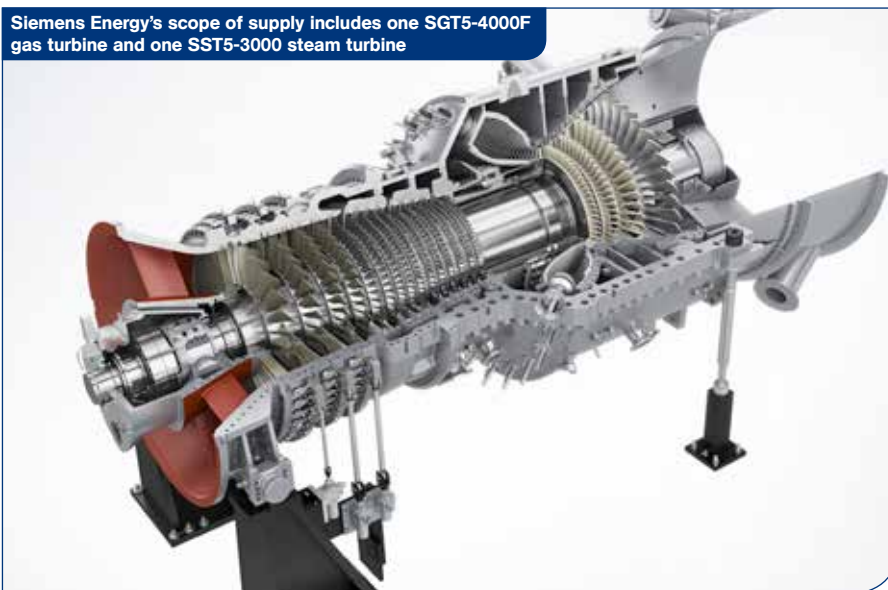
Given the strong market position that Eranove has established in Côte d'Ivoire, it is likely that the power company will continue to build on this in years to come in a nation that is keen to evolve its grid connectivity.

Marc Albérola adds: "The Atinkou plant demonstrates the strength of Eranove's industrial model based on African skills and public and private partnerships involving the state and local players. Atinkou also confirms Eranove's leading position as an independent producer and delegated manager of public services."

François-Guilhem Vaissier, White & Case partner, says: "I was very proud to advise Eranove and Atinkou on this landmark transaction that will generate more than 350MW following completion of the works."

"On the basis of CIPREL numerous successes, we started back in 2016 with the negotiation of a MoU with the state of Côte d'Ivoire. Then the Convention de Production was executed in December 2018. Following this initial phase, we assisted Eranove and Atinkou's dedicated teams on all related agreements including the financing, construction and technical services ones."

And all that hard work came to a successful conclusion when it reached financial close on 26 March 2020 and is a feather in the cap to all parties involved. ■



African mining

Tasiast Gold Mine Financing

Kinross Gold Corporation achieved financial close on the expansion of its open-pit Tasiast Gold Mine asset in north-western Mauritania on the back of a multi-source project financing featuring both state-backed lenders and commercial banks.

The debt financing was led by International Finance Corporation (IFC) and the Export Development Canada (EDC). On the back of this DFI and ECA support (the original senior lenders), two commercial banks joined the fray – ING Group and Societe Generale.

The loan facilities carry an eight-year tenor and are non-recourse to Kinross and have a weighted average floating interest rate – the debt pricing is 438bp above Libor. It also features an extended availability period and permits an unlimited number of drawdowns to provide the Tasiast SPV with flexibility to meet its operational funding needs.

These conditions were set out in a Common Terms Agreement that states the terms common to all senior debt, all of which ranks equally and shares *pari passu* in a multi-jurisdictional common security

package that was developed with local counsel in response to the unique legal and regulatory challenges associated with the creation, perfection and enforcement of collateral security in Mauritania.

The deal also represents the IFC's largest ever investment in Mauritania at \$63 million A loan and a further \$93 million through IFC trust loans. The World Bank Group member considers the project to be aligned with the government of Mauritania's development agenda.

ING and Societe Generale provided a combined \$70 million through syndicated IFC B loans while the EDC was in the for the remaining \$75 million. Overall, the \$300 million debt package serves to part-fund a \$822 million expansion of the mine.

The project financing will fund an expansion of the operations of the Tasiast gold mine, together with all associated facilities and infrastructure. The production-side is expected to incrementally increase throughput capacity to 21,000 tonnes per day by the end of 2021 and then 24,000 tonnes per day by mid-2023. Kinross

says that based on the feasibility study, the expansion is expected to increase production, reduce costs, and extend mine life to 2033.

Advisers

- HCF International Advisers
- Milbank
- Sullivan & Cromwell
- Maître Yarba Ould Ahmed Saleh
- Avaconseil
- Herbert Smith Freehills
- De Pardieu Brocas Maffei
- Loyens & Loeff
- NautaDutilh
- Pestalozzi Attorneys at Law
- Homburger
- RPMGlobal USA

African oil & gas

Nigeria LNG Train 7

The \$3 billion project financing of the Nigeria LNG Train 7 was one of the headline acts in 2020 in a year packed with multibillion-dollar African infrastructure deals.

Its complex financing marked the first time that the development of an LNG project was financed using a multi-sourced corporate loan structure. Overall, the financing of Train 7 demonstrated the will of international institutions to respond to the ever-growing global demand for LNG wherever it may be found.

The deal was structured as a hybrid corporate finance – it shares features of both corporate and project finance, even though it fits more towards the corporate end of the finance spectrum. Regardless of the classification, from a bankability perspective the overall risk assessment was similar. Lenders took a confident view of the deal from NLNG's operational and finance record and its robust credit history.

Half of the multi-tranche debt package is covered by ECAs including the Export-Import Bank of Korea (KEXIM), Korea Trade Insurance Corporation (KSURE), and SACE.

Train 7 demonstrated the will of international institutions to respond to the ever-growing global demand for LNG.

Pricing starts at 375bp above Libor and the nine-year tenor on the debt includes a four-year availability drawdown period and a five-year payback.

The asset will be financed by a combination of NLNG's internally generated cashflows and the \$3 billion in debt raised from two development finance institutions (DFIs) including the Africa Finance Corporation (AFC) and 26 international and local banks, including Standard Chartered Bank.

The fact that the enormous deal closed in spite of the ongoing Covid-19 pandemic is not exclusive to Train 7 – as mentioned there were several other big deals such as in Cairo and Mozambique that achieved significant financing milestones during 2020. However, the EPC contract signed

between the sponsors and the SCD Group included flexibility for NLNG to enable an accelerated works schedule.

Train 7 will expand the company's LNG production by 35%. Currently six LNG trains produce an annual total of 22 million tonnes, expected to rise to 30 million tonnes when Train 7 is in operation. The biggest shareholder in NLNG is the Nigerian National Petroleum Corporation, but the other sponsors are Shell, TotalEnergies, and Eni.

Advisers

- SMBC
- Guaranty Trust Bank
- Allen & Overy
- White & Case
- Olaniwan Ajayi
- Templars
- Operis

African refinancing renewables Bokpoort CSP

ACWA Power reached financial close on a December 2020 refinancing of the 50MW Bokpoort concentrated solar power (CSP) project. It became the first REIPPP project in South Africa to be refinanced, thereby leading to a reduced tariff for the end-consumer.

Bokpoort CSP was a part of the South African government's early REIPPP programme that made it to financial close in July 2013. The Department of Mineral Resources and Energy (DMRE) launched a refinancing initiative in October 2019 as part of a wider goal to reduce the cost of energy in the country, thus reducing financial obligations for national utility Eskom.

In May 2020, the DMRE invited all IPPs that took part in rounds 1 to 3.5 of REIPPP to refinance their project debt. The approval for the refinancing was then granted by the government following a consultation with both IPPs and lenders. By this stage, the Covid-19 pandemic was causing severe volatility in the international financial markets.

Nonetheless, Bokpoort CSP became the first REIPPP project to carry out a successful refi, backed by a consortium of six lenders including Rand Merchant Bank which acted as co-MLA. The Jibar-linked and senior CPI-linked term facilities increase the overall debt package from R3.5 billion to R5.5 billion (\$254 to \$399 million).

The refinancing reinforces the success of IPPs under the REIPPP programme specifically and PPPs and concession projects more generally, in the South African market at a time when the government has constrained fiscal space, and therefore needs to crowd in the private sector through projects such as these in order to roll out new infrastructure and stimulate economic growth. The refi also reached financial close during the pandemic, thereby reinforcing the strength of the project financing.

The lowered tariff will result in savings, estimated at around R800 million over the remaining 13 years of the PPA. The reduction of the tariff charged to Eskom is 3.2%. Moreover, in October 2020 the project completed 13 days of continuous round-the-clock operation which set a continent-wide record for CSP.

Advisers

- Fasken
- Mott McDonald
- Deloitte

African power Azito Phase IV Project



Globeleq managed to attract a total of nine DFIs for the debt financing of Azito Phase IV expansion in Côte d'Ivoire – enabling the addition of 253MW of installed power capacity at the 462MW Azito CCGT.

The 2020 financial close of the \$331 million deal took place eight years after the last phased expansion of the asset. The new expansion not only saw every one of the lending DFIs from back then but also brought in a new multilateral. The DFI list was also complemented yet again by a local currency tranche from the West Africa Development Bank (BOAD) at CFAfr22.851 million (\$42.6m).

The project was financed on a limited recourse basis. The overall size of the debt adds up to €264 million debt and the new lender to join the IFC and European DFIs is the African Development Bank (AfDB). There is a 15.5-year tenor and MIGA provided debt coverage for the Euro-denominated tranche.

DFIs also provide a strong backing on the equity-side, which injected a further €67 million into the project financing. Globeleq is majority owner of the Azito Energie SPV, alongside Industrial Promotion Services.

Globeleq is owned by CDC Group and Norfund, while IPS is owned by the Aga Khan Fund for Economic Development (AKFED) and IFC, alongside the government of Côte d'Ivoire. Both CDC and AKFED took lead roles in the fourth phase financing.

In line with the greatly extended shelf life, a new PPA was signed to amend the existing one in March 2019, putting it to 20 years. A source told IJGlobal at the time of the offtake signing that the new tariff is beaten only by hydropower in the West African region.

The fourth phase builds on the CCGT conversion resulting from the third phase, coupling gas turbines and stream turbines with a generator. At 715MW, Azito will provide at least 30% of Côte d'Ivoire's power generation, up from 25%. It will become one of the largest privately-run power projects in Sub-Saharan Africa.

Advisers

- Clifford Chance, Orrick, Fideis Legal, Asafo & Co, Chauveau, WSP, BDO, FDKA, Leue & Alesco, Indecs Consulting

African renewables portfolio Financing of 7 Solar Projects in Angola/Angola Solar PV

The award for African Renewables Portfolio Financing deal of the year has been won by a consortium of MCA Group, Hitachi ABB Power Grids and Sun Africa, among others, for their 370MW solar PV complex in Angola.

Comprised of seven generation facilities, the project will be located in the municipalities of Biópio, Benguela, Bailundo, Cuito, Lucapa, Luena and Saurimo.

The Angolan portfolio won for the overall impact it will have on electrification rates in the country, using a reliable and affordable clean energy source. The Angolan government took into consideration the lower cost of solar energy compared to diesel, which contributed to the project being considered a viable long-term investment for the country.

These seven assets in fact represent Angola's debut in the field of solar energy. They were made an integral part of the country's 2025 Energy Plan, which sets out to boost electricity access rates, especially in rural communities.

This portfolio is expected to be responsible for covering nearly 50% of Angola's 2025 target for installed renewable capacity. The expected generation capacity of each project ranges from 7MWdc to 189MWdc. Two of the plants will supply the national electricity grid, while the other five will directly serve rural areas.

"The solar power plants will be built within two-and-a-half years and 1 million panels will produce 370MW, enough to power 2.4 million people in areas without access to electricity" MCA Group said at the time of financial close.

The Ministry of Finance of Angola secured €647 million in financing for the development and construction of the portfolio. The transaction was majority-financed via a €567 million export credit facility by the Swedish Export Credit Corporation (SEK), with the Swedish Export Credit Agency (EKN) as guarantor.

A further €80 million was lent by the Development Bank of Southern Africa (DBSA). ING Bank acted as arranger on both tranches and as financial adviser. The loans extend over a long term – 18 years – and the estimated construction period is two years.

Advisers

- ING Bank
- Clifford Chance
- Norton Rose Fulbright

African transport

BeitBridge Border Post Modernisation Project

The \$300 million BeitBridge Border Post Modernisation Project closed in November, concluding financing for the upgrade and rehabilitation of the Zimbabwean side of the border post, under a 17.5-year concession.

It is the busiest border post in southern Africa, connecting South Africa to Zimbabwe and providing a key access point for trade with countries further to the north.

Under the concession, La Frontiere is tasked with upgrading the ageing infrastructure, which for some time has caused significant waiting periods at the border, slowing trade and causing many haulage operators to use less-efficient alternative routes.

The concession also requires the delivery of social infrastructure to the adjacent town of Beitbridge, including a water treatment plant, housing and fire station.

RMB was financial adviser to the sponsor from 2018, helping structure a bankable project financing and bring in co-shareholders like the Pembani-Remgro Infrastructure Fund and the Pan African Infrastructure Development Fund.

The financing package includes a \$130m commercial debt tranche from ABSA Bank, Nedbank, RMB and Standard Bank with political and commercial risk cover provided by the Export Credit Insurance Corporation of South Africa, alongside a \$65m DFI tranche funded by Afreximbank and the Emerging Africa Infrastructure Fund and a US\$22m loan from EAIF as well.

Daniel Zinman, RMB project lead for BeitBridge, says: "This project comes at a time when infrastructure development and PPPs are more critical than ever to stimulate economic growth, and further enhances RMB's reputation as the leading investment bank in the African concessions and PPP sector, through the provision of an end-to-end infrastructure finance solution which enables our client to deliver this landmark infrastructure development, despite a challenging jurisdiction and an unprecedented and uncertain global backdrop."

Judy Cobus, co-head RMB Infrastructure Sector Solutions, adds: "A truck moving

through the border can currently take 2 days or more, with this project it will take a fraction of that time. It delivers infrastructure that makes a difference by not only stimulating sustainable economic growth and job creation but by also providing much-needed social infrastructure to the local community."

Advisers

- RMB
- EY
- Herbert Smith Freehills
- Bowman Gilfillan
- Mott MacDonald
- Aurecon
- AON
- Willis Towers Watson

African battery storage

Golomoti Solar PV and Battery Energy Storage Project

The award for African Battery Storage deal of the year has been won by JCM and InfraCo Africa for the 20MWac Golomoti project in Malawi.

Golomoti won for the storage component of this solar PV project which is billed as the first utility-scale grid-connected PV plant in sub-Saharan Africa to include a battery energy storage system (BESS).

JCM and InfraCo Africa were selected as preferred bidder for the Golomoti project in 2017 and accelerated development of the project through committing to an equity financing structure prior to construction. This significantly de-risked the project for lenders who were expected to provide financing after the project entered commercial operations.

Rather than engaging a single turnkey EPC contract, the project is being delivered through individual contracts with JCM managing contracts with equipment suppliers and works contractors. This structure allows for a much more localized delivery and provides flexibility to deliver

the projects and was an ideal solution to Covid-19 restrictions.

Moreover, it reduced development timelines and costs, and introduced a high degree of flexibility in negotiating with equipment providers in a turbulent pricing and supply market. The operations will also be self-performed by the project.

The project incorporates a state-of-the-art 5MW/10MWh lithium-ion BESS which will enable the plant to provide reliable power and improve network stability, reducing reliance on hydro and diesel generation, while ensuring that grid stability is maintained.

This is of particular importance as Malawi currently has an islanded power network and the BESS will demonstrate the pathway for increasing the contribution of variable renewable energy on the network. Performance data from the BESS will inform similar systems elsewhere in the region.

InfraCo Africa chief executive Gilles Vaes said: "This key milestone has been made possible by the strong support the

project has received from the Government of Malawi, regulators and the state utility, ESCOM. By generating additional power and pioneering energy storage, Golomoti Solar will ensure that homes and businesses in Malawi will have access to more reliable electricity to drive economic growth."

Advisers

- Innovate UK
- Norton Rose Fulbright
- Eversheds Sutherland
- Mott MacDonald
- RINA
- Zutari
- Power Engineers
- ERM

African digital infrastructure

Project Lightning

The transaction to have won the *IJGlobal* African Digital Infrastructure Award was Project Lightning – the financing of an acquisition of a stake in MetroFibre Network (MFN), South Africa.

Having closed on 17 November 2020, this deal saw South African infra fund manager AIMM acquire a minority stake worth R980 million (\$63.6m) in local open access fibre network operator MFN, as part of the company's R1.5 billion (\$97.2m) equity funding round.

This deal stands out as despite material investment in recent years to the FTTH and FTTB sectors, there continues to be a significant deficit in last-mile fibre connectivity in second-tier towns across South Africa.

Fibre networks are increasingly important for fast and reliable home internet and to support the acceleration of learning-from-home and working-from-home, as well as the ongoing digital migration of transactional and enterprise environments.

MFN has an ambitious programme to address this shortfall, through a ZAR3 billion plan to connect an additional 300,000 homes across the country over the coming three years. It was in need of funding to execute the plan as the majority of existing shareholders were capped out from an investment perspective. In addition, it was essential that any new equity sourced, maintain or enhance required equity ownership for Historically Disadvantaged Groups (HDG).

MFN's high-growth stage of life provided funding challenges however, including the material near-term capital requirements, coupled with limited cashflows available for distribution in early years, thus limiting appetite for preference share funding from the more traditional lenders. Therefore, an innovative funding solution was required.

As a result, the rights issue was structured as an irrevocable undertaking for subscribers to provide funding when called upon by the MFN board, with the remaining

shares held in trust and drawn down over a period of 2.5 years.

The structure provided full governance rights to shareholders for both the shares issued and those held in trust, but limits the cash drag for both MFN and investors by only drawing down capital as required, providing a material "war chest" for MFN to continue to rollout the network.

Advisers

- Bowmans
- Webber Wentzel
- Hardiman Telecoms
- PwC
- Camp Consult
- Marsh Insurance

African social infrastructure

Cote d'Ivoire Hospital & Medical Units Portfolio

The award for African Social Infrastructure Health deal of the year has been won by Agentis for its involvement in a Côte d'Ivoire hospital and medical units portfolio. The project won thanks to its positive impact on healthcare access in the country.

Following a long period of underinvestment, Cote d'Ivoire was facing significant infrastructure deficiencies in the health sector. Some 33% of the population was living more than 5km away from a healthcare facility and around 10% more than 15km away.

To alleviate this situation, the government devised a 2-year (2018-2020) €1.27 billion financing plan for the construction of regional hospitals and national healthcare facilities, as well as modernisation and re-equipment of existing ones.

Consisting of two hospitals, one located in Adzopé (105km north of Abidjan) and the other in Aboisso (120km east of Abidjan), the project initiated by the Côte d'Ivoire government with Moroccan company Agentis as EPC contractor, will have a total capacity of around 400 beds. It is expected to significantly improve the availability of healthcare services in each region using state-of-the-art equipment.



As an additional activity within the project's scope, five new medical units in five hospitals across the country will also receive funding. They include a radiotherapy centre in Abengourou, an emergency unit each in Daoukro and Séguéla, a traumatology centre in Toumodi, and a surgery and emergency unit in Bouna.

The project is part of the government's National Development Plan 2016-2020. It will also support the Republic's ongoing efforts to contain the Covid-19 pandemic. The two hospitals will employ around 600 local people and will foster the development of a micro-economy in the areas

surrounding them. The project will facilitate intra-OIC trade of services and human capital between Côte d'Ivoire and Morocco, both Member Countries of OIC.

The project also received support from the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC). ICIEC's cover provided credit enhancement to Deutsche Bank which extended long-term financing to the project.

Advisers

- Ashurst

African export finance

SGR Financing

The winner of the *IJGlobal Award* for African Export Finance is the SRG Financing in Tanzania, a transaction for the standard gauge railway (SGR) Phases 1 and 2 that signed in early 2020.

This award is primarily to celebrate the largest syndicated transaction in Sub-Saharan Africa to date outside the oil and gas sector, but – more importantly – it has positively changed the accepted norms on how such deals are structured, how risks are managed effectively, and how to balance economic, social and environmental objectives.

Standard Chartered Bank acted as the sole global coordinator and structuring bank, MLA, bookrunner and facility agent to arrange a \$1.6 billion financing package for the Government of United Republic of Tanzania, which was successfully signed on 13 February 2020

The ECA-led, long-term financing to fund the new SGR from Dar Es Salaam to Dodoma (Makutupora) helped attract investors from other liquidity pools, leading to the creation of a commercial bank tranche; and the development financial institution (DFI) tranche.

SCB implemented the re-insuring structure in which it identified EKN and EKF as the fronting ECA – and other ECAs: SERV



(Switzerland), OeKB (Austria), SACE (Italy), CESCE (Spain), NEXI (Japan) reinsuring EKF.

The financing comprised a \$992.9 million EKF covered term loan facility; a \$270 million commercial term loan facility; a \$200 million DFI facility; and a \$178.2 EKN covered term loan facility. The EKF facility has a tenor of 14.5 years, as does the EKN facility. The DFI facility weighed in at 15 years, while the commercial facility was for 7 years.

The project brings enormous benefits to the people of Tanzania and its neighbours. Freight costs are to reduce by 40%, while every electric train takes 500 lorries off the roads, significantly cutting pollution and congestion.

The SGR is Tanzania's biggest infrastructure project and will provide essential, safe and reliable rail connectivity between capital Dodoma (Makutupora), Morogoro and Dar es Salaam. The lots 1 & 2 extend 550km, while subsequent lots will extend the SGR to 1,224kms, linking Tanzania with Rwanda, Uganda and the Democratic Republic of Congo.

Advisers

- Baker McKenzie
- Arup

African Refinancing Mining

Resolute

The award for African Mining Refinance deal of the year has been granted to Resolute Mining for the refi of the Mako gold mine in Senegal.

The project won thanks to the sponsor's involvement in a viable mining project with significant impact in Senegal and the region.

The Mako Gold Mine, located in eastern Senegal, West Africa, is a high quality, open pit mine with attractive scale and strong growth potential through near-mine exploration opportunities.

The first gold was poured at Mako in January 2018.

Mako is owned and operated by Resolute's Senegalese subsidiary, Petowal Mining Company SA. Resolute has a 90% interest in Petowal and the Government of Senegal holds the remaining 10%.

Mako is a conventional drill and blast, truck and shovel operation with mining

services undertaken by an established contractor.

The carbon in each processing plant has 2.3Mtpa of capacity and comprises a crushing circuit, an 8.5MW SAG Mill and gold extraction circuit. The processing plant has achieved strong metallurgical recoveries – 95% in its first year of operation – and is expected to deliver average life of mine recoveries of 93.8%. Electricity is provided by a 14MW diesel-fuelled power station and water is extracted from the Gambia River.

Identified exploration targets have the potential to increase the mine life and exploration programmes are in progress focusing on pit extensions and satellite deposits within trucking distance of the mill.

Targets within the permit include the identification of potential ore shoots beneath the pit, extensions to the north east of the pit, and the Kerekonko area south

of the Gambia River where multiple soil anomalies have been identified.

On 25 March 2020, Resolute refinanced its existing debt facilities with an increased \$300 million facility. This new facility comprises a 3-year \$150 million revolving credit facility and a 4-year \$150 million term loan.

Two new banks joined the facility – Societe Generale and ING – in addition to the existing/returning lenders: BNP Paribas, Nedbank, Investec and Citibank.

Advisers

- Orimco
- Allens
- Wright Legal

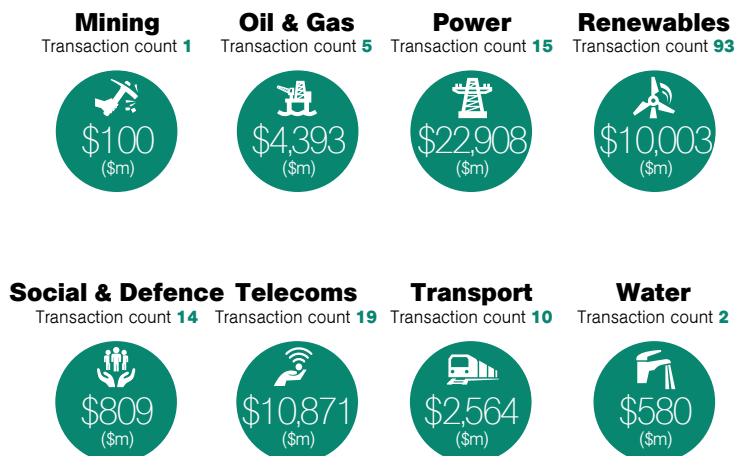


Europe

Tenders launched



Closed deal values by sector



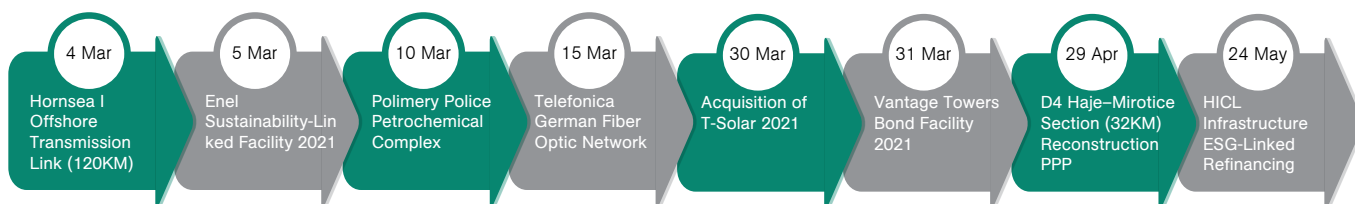
Projects with recent tender updates

1	Sines 4.0 Data Centre
2	South Kavala Gas Storage Facility PPP
3	Acquisition of 30% in ATC Europe
4	Crete Courthouses PPP
5	Heathrow Southern Rail Link PPP
6	Acquisition of Falbygden Energi 2021
7	VindO Wind Energy Island (3GW)
8	Attica-Crete Interconnector (1GW)

Closed deals by country

	Transaction Country	Value (\$m)	Count
1	Italy	13,023	12
2	Spain	9,341	25
3	Germany	8,083	13
4	United Kingdom	7,991	41
5	Germany, Netherlands	2,194	1
6	Poland	1,990	7
7	Romania	1,379	3
8	France	1,299	7
9	Netherlands	1,154	9
10	Ireland	1,079	4
11	Czech Republic	1,078	2
12	Denmark, United Kingdom	983	1
13	Cyprus, Malta	940	1
14	Finland	837	8
15	Sweden	682	7
16	Belgium	443	1
17	Norway	302	4
18	Greece	143	2
19	Russia	100	1
20	Turkey	77	2
21	Latvia	61	1
22	Armenia	53	1
23	Ukraine	30	1

Transactions that reached financial close





Mutkalampi Wind Farm

Finland

Mutkalampi Wind Farm has reached FC – 2 years after the project was developed and quickly snapped up for PPAs by the likes of Google. *IJGlobal* assistant editor **Anna Cole-Bailey** takes a look.

Neoen in April (2021) reached financial close on the €478 million (\$577m) Mutkalampi Wind Farm – Finland's largest onshore wind project, with commissioning set for late 2022.

The 404MW wind farm is currently under construction and located on the border between the regions of Central and North Ostrobothnia, western Finland, and has been in the pipeline since 2019.

Vestas has been signed on to the project as sole turbine provider and EPC contractor. The wind farm will comprise 69x turbines:

- 63x turbines with capacity of 6MW
- 6x turbines with a capacity of 4.3MW

Once operational, the wind farm is expected to account for 2% of Finland's annual electricity production.

Energy produced at the farm is likely to be staggered with a first leg scheduled to open at the end of 2022 and the second in the third quarter of 2023.

Conception

French renewable energy giant Neoen in 2019 enlisted the services of local legal firm Borenus to acquire 80% of a 250MW wind farm from Prokon Finland. Prokon's Finnish branch had been planning the wind farm

since 2016 when it applied for land use permits.

Its deal with Neoen included the formation of an 80/20 JV between the 2 developers – the duo's second collaboration after jointly producing the 81MW Finnish Hedet Wind Farm which came online last year (2020).

The shareholding on the Mutkalampi wind farm replicates this split:

- Neoen – 80%
- Prokon Finland – 20%

In the months ahead, the project sparked interest from Google from an offtake perspective. The tech giant had already bought all the power generation from Hedet, and in September 2019 entered into a 10-year PPA with Neoen to buy around one-third of Mutkalampi's output.

Google's contract to take 130MW of the wind farm's output starts in 2022 and the energy will be used to power Google's Finnish data centres.

Neoen chief executive and chairman, Xavier Barbaro, said in 2019: "Our energy is attractive to an increasingly large number and wide range of buyers, in particular large businesses belonging to the RE100 such as Google."

Xavier Barbaro



"Our energy is attractive to an increasingly large number and wide range of buyers, in particular large businesses belonging to the RE100 such as Google."

Vestas has been signed on to the project as sole turbine provider and EPC contractor





A year later, in December 2020, Neoen confirmed that a further roughly third – 126MW – of the wind farm’s output will be sold under 10-year virtual PPAs with a consortium of Dutch offtakers:

- Heineken
- Nobian (previously Nouryon)
- Philips
- Signify

At this point Neoen extended the total capacity of the wind project to 404MW – securing its status as the largest onshore wind project in the country.

The electricity contracted to the consortium will be plugged in to the Finnish grid, with a guarantee of origin certificate for the consortium partners to certify that the power has been renewably produced.

According to the consortium, while the companies have signed PPAs for renewable electricity in the past, this is the first time a virtual PPA has been formed to drive “incremental” renewable electricity usage in Europe.

The remaining portion of the offtake is being sold on a merchant basis, Neoen has since confirmed.

Norton Rose Fulbright EMEA head of energy, Charles Whitney, called the signing of cross-border virtual PPAs “innovative”.

“It is a trend that we expect to see more of in the European corporate PPA market, as

corporates continue to make strides towards decarbonisation as part of the wider energy transition,” he added.

Financing

Neoen confirmed in April (2021) that it had secured financing on the wind farm.

The lenders are:

- MEAG – sole senior lender – €290 million
- SEB – providing the VAT facility – €38 million

MEAG is a Munich Re company acting on behalf of primary insurance companies of ERGO, institutional investors via MEAG and several investment funds managed by MEAG, including MEAG Infrastructure Debt Fund II.

As reported by *IJGlobal* at the time of financial close, Neoen would not disclose details of the tenor of the debt arranged, but a source within the organisation said it was longer than the PPA horizon – which is 10 years – as “lenders were comfortable with assuming merchant exposure in that region”.

White & Case partner Carina Radford acted for Neoen on the deal. She said: “The deal moved swiftly and efficiently with all parties prepared to align commercially in short order and financiers showed their in-depth knowledge of delivering onshore wind farm financings.”

Carina Radford



“Notwithstanding the impressive size of the deal and the dynamic commercial arrangements underpinning the financing, the process to financial close was pretty smooth.”

She added: “Notwithstanding the impressive size of the deal and the dynamic commercial arrangements underpinning the financing, the process to financial close was pretty smooth.”

Aside from the financing costs, total investment in the project now stands at an estimated €478 million.

Holger Kerzel, member of the board of management at MEAG, said: “This project fulfills our high expectations for sustainable and successful investments. Private sector financing by MEAG is an important contribution for the maintenance and modernisation of infrastructure as well as for the expansion of renewables.”

Advisers

Advisers to Neoen:

- Voltiq – financial adviser
- White & Case – legal
- Borenus – local legal
- Natural Power – technical
- PwC – tax and model reviewer

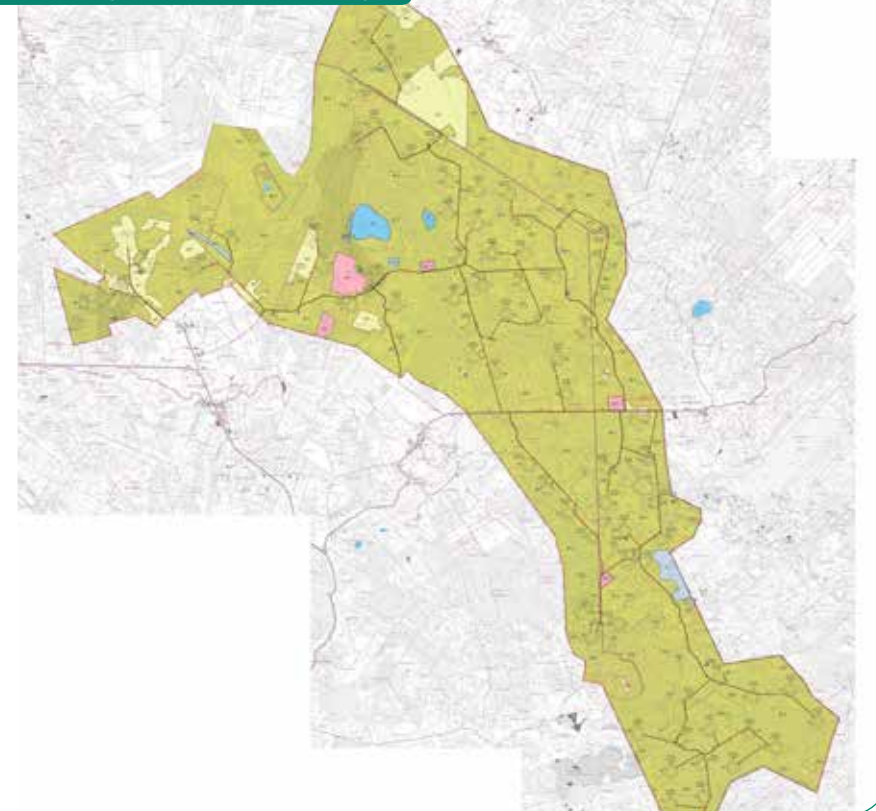
Advisers to lenders:

- Norton Rose Fulbright – legal
- Hartford Steam Boiler – technical adviser to MEAG
- PwC – tax and model reviewer to MEAG

Adviser to Dutch consortium:

- Schneider Electric ■

Prokon’s original land use map for the project





North America

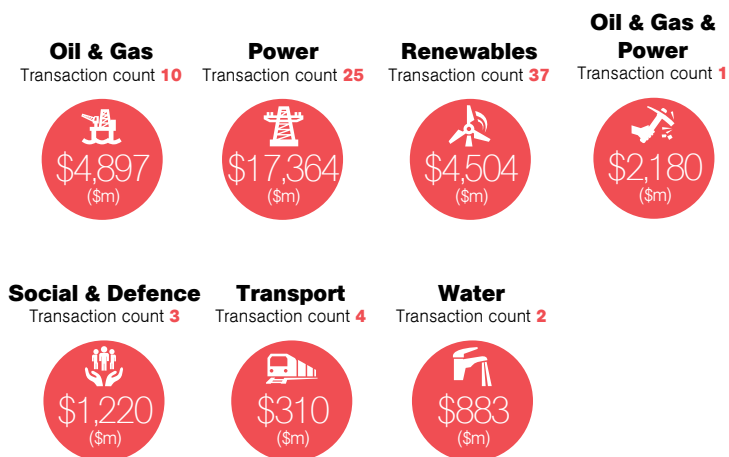
Tenders launched



Projects with recent tender updates

1	Acquisition of a Stake in First Transit and First Student
2	Contrecoeur New Container Terminal PPP
3	Vineyard Offshore Wind Farm (800MW)
4	AirTrain LaGuardia (3.22KM)
5	Eglinton Crosstown LRT West Extension PPP
6	Acquisition of Inter Pipeline (IPL)
7	Lake Erie Connector (117KM)
8	Scarborough Subway Extension PPP

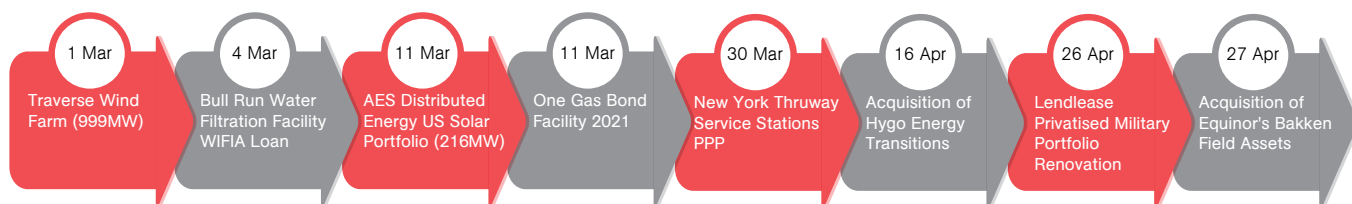
Closed deal values by sector



Closed deals by country

	Transaction Country	Value (\$m)	Count
1	United States	27,155	75
2	Bermuda	3,931	2
3	Canada	236	4
4	Canada, United States	37	1

Transactions that reached financial close





New York Thruway Service Stations P3 US

Applegreen reached FC in March on the on the project to develop 27 New York Service Areas on the New York State Thruway. *IJGlobal* editor **Ila Patel** takes a look at the project's journey.

Irish company Applegreen has been active in the US market since 2014, slowly expanding its foothold in the forecourt retail space through organic and acquisition-driven growth.

The New York Service Areas project is the second P3 project it has been involved in, the first being the Connecticut Highway Service Plazas P3 in which it acquired a 40% stake in 2019.

Applegreen appears to have a strategy – join an existing consortium already involved in a P3 and then take a majority stake.

The Irish company joined a consortium alongside IST3 Investment Foundation and TD Greystone Asset Management to acquire JLIF Holdings (Project Service) US, the owner of the Connecticut Highway Service Plazas P3, in August 2019.

It acquired its 40% stake for \$38 million with the option to increase its share to 60% through a call option agreement with TD Greystone, exercisable 5 years after completion of the transaction and giving Applegreen majority control.

IST3 Investment Foundation holds 40% and TD Greystone Asset Management has 20% in the consortium.

JLIF Holdings (Project Service) was acquired by UK-based fund managers Equitix and Dalmore as part of its acquisition of John Laing Infrastructure Fund (JLIF) in September 2018.

JLIF had owned the asset since May 2016, paying \$105 million in equity value to buy the project company.

Equitix and Dalmore Capital acquired JLIF in its entirety and the fund was de-listed in October 2018.

Similarly, Applegreen joined the Empire State Thruway Partners (ESTP) consortium in September 2020 which until then had included John Laing.

John Laing exited ESTP and Applegreen became sole investor and consortium lead, but retained the option to add another party to the team post-financial close.

Adding another company is subject to approval from the New York State Thruway Authority.

Procurement

The New York State Thruway Authority issued an RFP for a developer to DBFOM 27 service areas along the 570-mile system in October 2018.

Prior to that, the authority issued a request for expressions of interest in April 2018, inviting those in the hospitality, tourism, travel, freight transport and public sectors to provide input on operational, logistical and environmental components which could be used in the development of the RFP.

Governor Andrew Cuomo also backed the project and announced it in his 2018 State of the State address.

In November of the same year (2018), a pre-proposal conference was held drawing a great deal of interest from the industry, including from Applegreen.

In June 2019, 5 teams submitted bids:

- ESTP led by John Laing
- Oaktree Capital Management
- Macquarie Capital
- Liberty Infrastructure Partners
- Star America, Nexus and Drexel Hamilton

Development plans for the service area include:

- making the locations leadership in energy and environmental design (LEED) certified
- installing solar arrays and irrigation-free

The University of Idaho reached financial close on its steam plant and utility system in December 2020





- landscaping
- increasing truck parking and commercial services
- modernising the entire service area to better serve motorists who travel the thruway

ESTP was selected as the winning bidder in September 2019.

Applegreen's financial plan for the project was approved in February 2021 with financial close agreed for 30 March.

The New York Office of the State Comptroller and the New York State attorney general have also given final approval to the project.

Financing

The deal was financed using \$269.46 million of PABs rated BBB+ by Fitch Ratings. The rating outlook is stable. The financing package comprised:

- \$6.88 million – 2.5% Series 2021 Term Bonds due 31 October 2021, yield 2.55%
- \$8.365 million – 4% Series 2021 Term Bonds due 31 October 2021, yield 2.53%
- \$40.49 million – 4% Series 2021 Term Bonds due 31 October 2021, yield 2.80%
- \$64.265 million – 4% Series 2021 Term Bonds due 31 October 2021, yield 2.95%
- \$149.455 million – 4% Series 2021 Term Bonds due 31 October 2021, yield 3%

The issuer is the New York Transportation Development Corporation with the underwriters comprising:

- Citigroup Global Markets
- Loop Capital Markets
- National Bank of Canada Financial
- Ramirez & Co
- Siebert Williams Shank & Co

Bank of New York Mellon acted as collateral agent and trustee.

The bonds are senior, fixed-rate and fully amortized over the term. They have a six-month cash-funded debt service reserve account (DSRA) with an equity lock up test of 1.2x.

The debt service profile escalates from \$11 million and reaches \$29 million by the end of the term, placing additional dependence on revenue growth over time.

The total construction price is \$300.7 million with a security package consisting of:

- full parent guarantee from AECOM Technical Services
- 100% payment and performance (P&P) bonds
- 5% letter of credit and delay liquidated damages (LDs) for each site

ESTP will provide \$40.3 million in equity. The contract with Empire State is for 33 years, with 2 phases of construction. Phase 1 includes 16 service areas with staged reconstruction expected to begin in 2021. Phase 2 includes 11 service areas with renovations expected to begin in January 2023.

To ensure continuity of services to Thruway customers during construction, no 2 consecutive service areas in the same direction of travel will be closed for renovations at the same time.

Conclusion

Service Area P3s are not a burgeoning sector in the US, so it cannot be said that this is a sub-sector that infrastructure practitioners should keep an eye out for. However, there are a few positive examples.

Connecticut was one of the first rest stop P3s, and it was deemed to be relatively low-key and low-risk. Another successful P3 was Maryland's 35-year lease with Areas USA to DBFOM 2 travel plazas on the I-95, signed in 2012. Other states like Georgia expressed an interest in procuring a similar type of deal but little came of that.

Of course for New York, this project makes absolute sense – NYSTA needed to upgrade 27 plazas and a private partner could do that while also consolidating all the assets to one single provider.

For now, there are currently no other planned service area P3s announced.

Advisers:

ESTP

- Citi – financial
- National Bank of Canada – financial
- Winston & Strawn – legal

Underwriters

- Altus Group – LTA
- Emerton – revenue consultant
- Mayer Brown – counsel

Bond

- Cozen O'Conner
- Hardwick Law

Disclosure counsel

- Drohan Lee

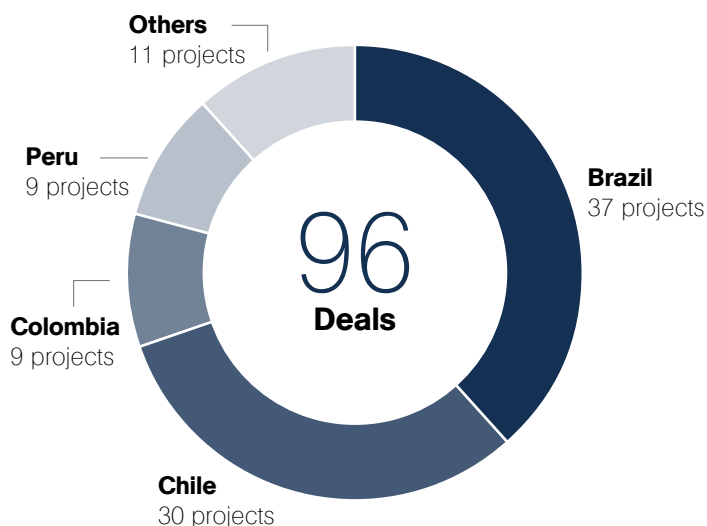
Another successful P3 was Maryland's 35-year lease with Areas USA to DBFOM 2 travel plazas on the I-95





Latin America

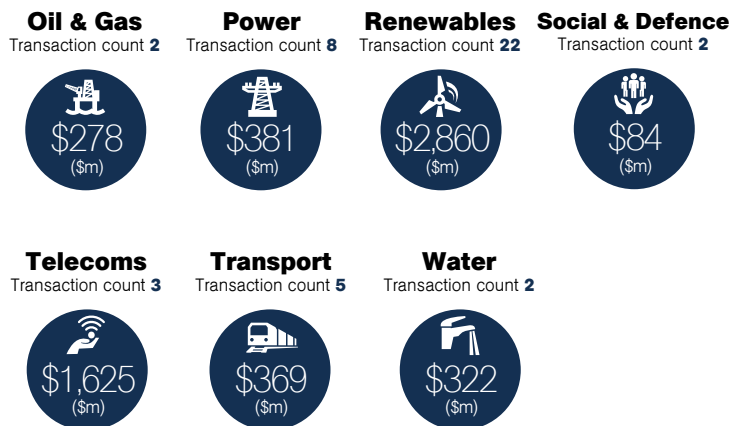
Tenders launched



Projects with recent tender updates

1	Ituango Hydropower Plant (2400MW)
2	Kimal - Lo Aguirre HVDC Transmission Line (1500KM)
3	Route 5 Talca - Chillan Highway Expansion (193KM) PPP
4	Privatisation of Eletrobras
5	Amapa's Water and Sewage Services Portfolio PPP
6	Kimal - Lo Aguirre HVDC Transmission Line (1500KM)
7	Acquisition of 96.04% in Compania General de Electricidad (CGE)
8	Sierra Gorda Solar PV Plant (400MW)

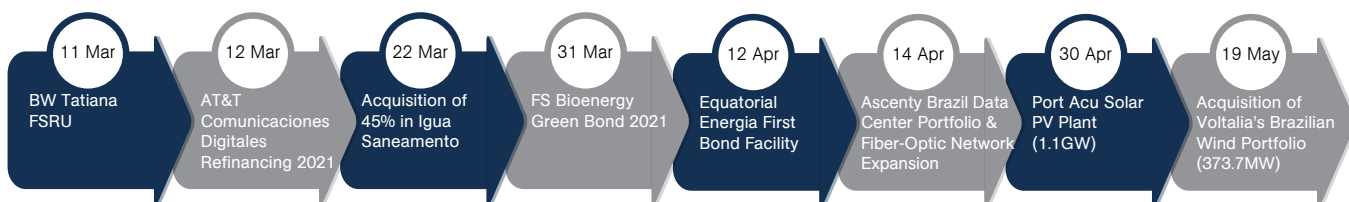
Closed deal values by sector



Closed deals by country

Rank	Transaction Country	Value (\$m)	Count
1	Brazil	3,815	22
2	Mexico	779	3
3	Chile	643	7
4	Colombia	271	5
5	Bolivia, Brazil	150	1
6	El Salvador	128	1
7	Paraguay	94	1
8	Peru	39	3
9	Uruguay	0	1

Transactions that reached financial close





Gás Natural Açú, Brazil

Port of Açú, located in the municipality of São João da Barra in the North of Rio de Janeiro state, is on its way to becoming a grandiose industrial complex serving the oil & gas industry. **Juliana Ennes** reports.

The Port of Açú project was originally envisioned by Eike Batista, a Brazilian megalomaniac entrepreneur who in just a few years went from being the seventh richest man in the world to being arrested under corruption and market manipulation allegations.

The complex houses Gás Natural Açú (GNA), a joint venture currently building Latin America's largest gas-fired power park.

GNA has 4 power plants planned for Port of Açú.

- GNA I is already built and received its first supply of gas in December 2020
- GNA II closed financing at the start of the year (2021) and will start construction in H2 2021

The JV will now start to look at the 2 additional plants – GNA III and GNA IV – to increase the installed capacity by 3.5GW, taking the complex to a total of 6.5GW.

The financing

In January (2021), the JV reached financial close on the second LNG-to-power plant, the 1,673MW GNA II.

Brazilian development bank BNDES was the sole lender, providing R3.9 billion (\$737 million) to fund the construction, which is slated to commence in H2 2021.

Stakeholders are said to be seeking additional debt to increase the project's leverage. It is mostly likely going to be financed through the issuance of infrastructure debentures – a type of bond

that carries tax incentives for individual investors.

Santander acted as financial adviser on GNA II.

The asset followed in the footsteps of the first plant built in the complex, which reached FC in March 2019 and mostly raised debt with DFIs.

However, the second unit had a simpler financial structure as all the cash was provided by BNDES, eliminating the need to mitigate exchange rate risk.

The development bank split the financing into 4 tranches, with varying costs and tenors. The R3.92 billion was divided into:

- R1.833 billion 20-year tenor at a cost of TLP + 3% a year
- R313 million 6.5 year tenor at a cost of TLP +4% a year
- R854 million 20-year tenor at a cost of TLP +4% a year
- R930 million 14.6-year tenor at a cost of TLP +6% a year

TLP is a long-term pre-fixed interest rate established by the Central Bank.

For GNA I, the debt providers were BNDES and IFC.

KfW IPEX-Bank – with support from German ECA Euler Hermes Aktiengesellschaft – guaranteed BNDES' portion of the loan.

Traditionally, ECAs are not allowed to cover development banks loans. In this case, KfW backed the financing from BNDES, which in turn was supported by Euler Hermes.

Euler Hermes covered 95% of the risk, while KfW acted as an intermediary, covering the remaining 5% and structuring the guarantee scheme.

If all 4 power plants are built, total investment is expected at around \$5 billion. This requires not only raising a huge amount of debt but also puts equity holders under pressure to invest large sums.

With that in mind, on 1 February (2021) Prumo, BP and Siemens concluded the sale of a 33% stake in GNA I and GNA II to China's State Power Investment Company (SPIC).

The transaction included a clause allowing SPIC to participate in future projects, such as the planned GNA III and GNA IV.

Advisers on the M&A transaction were:

- BofA Securities – financial to GNA and shareholders
- Lakeshore Partners – financial to GNA and shareholders
- Itaú BBA – financial to SPIC
- Mattos Filho – legal to the sponsors
- Trench Rossi Watanabe – legal to SPIC

All parties involved

Eike Batista's company LLX started the construction of Port of Açú in 2007, with the original goal of exporting iron ore produced by another of its subsidiaries, MMX.

Controlled by the American investment fund EIG Global Energy Partners in partnership with Mubadala Investment Company, Prumo took over the port in 2013

The Port of Açú project was originally envisioned by Eike Batista, a Brazilian megalomaniac entrepreneur





and launched it the next year focusing on port and industrial operations, and power generation.

Today, the port accommodates:

- iron ore terminal (a JV between Anglo American and Prumo)
- oil terminal (JV between Prumo and Oiltanking)
- marine fuel terminal (JV between Prumo and BP)
- multicargo terminal (JV between Prumo and Port of Antwerp)
- terminal for integrated oil & gas services (JV between Prumo and GraniHC)
- Edison Chouest terminal (offshore support base)
- NOV terminal (manufacture flexible pipes)
- Technip terminal (flexible pipes factory)
- InterMoor terminal (anchoring services for rigs and FPSOs)
- Wärtsilä plant (production and assembly for azimuth generators)

Port of Açú is also currently considering entering the newest wave of green hydrogen production.



Prumo began planning the LNG-to-power complex due to the diversity of businesses in the industrial complex which presented an opportunity for power generation.

The complex could also easily receive LNG cargo and have heavy industries consume large quantities of energy. It then

teamed up with GNA, which was originally a joint venture between BP and Siemens, but now includes SPIC as shareholder.

The JV built an LNG terminal including a fully dedicated floating storage and regasification unit (FSRU), with a total capacity of 21 million of cubic meters daily, in addition to pipelines connecting to the gigantic oil & gas fields in Brazil's pre-salt.

GNA III and IV will use both imported LNG and gas produced in the pre-salt. GNA I and II will work exclusively on LNG.

GNA has a long-term fuel supply agreement with BP. All turbines are supplied by Siemens Energy, including 3 gas turbines and 1 steam generator for each of the power plants.

The project also includes the construction of transmission lines to connect to the national grid. GNA I acquired a 23-year PPA from Bolognesi Group with 36 distribution companies in Brazil, awarded previously in a government-held power auction.

GNA II was one of the winners in the Aneel A-6 auction held in 2017, which offered 35-year PPAs for the power plant, starting in 2023. ■

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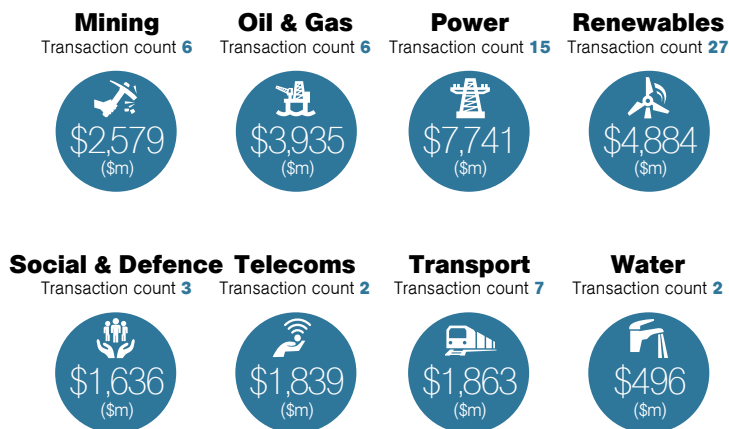


Asia Pacific

Tenders launched



Closed deal values by sector



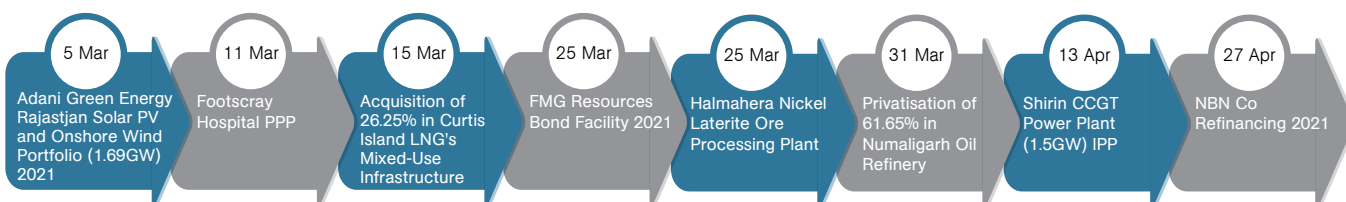
Projects with recent tender updates

1	Makati Underground Railway System (10.1KM) PPP
2	Millennium Khanh Hoa Province LNG Terminal
3	Iron Bridge Iron Ore Mine
4	Ca Na Gas-Fired Power Plant Phase 1 (1.5GW)
5	Acquisition of 65.5% in Tilt Renewables
6	Australia-ASEAN Power Link (AAPL) Solar Plant (10GW)
7	Bangkok-Rayong High Speed Railway (220KM) PPP
8	PNG LNG Phase II

Closed deals by country

	Transaction Country	Value (\$m)	Count
1	Australia	8,286	19
2	India	6,025	14
3	Vietnam	2,200	9
4	Philippines	1,738	5
5	Pakistan	1,463	2
6	Japan	1,288	6
7	Uzbekistan	1,150	3
8	Indonesia	1,064	3
9	New Zealand	438	2
10	Kazakhstan	415	1
11	Timor-Leste (East Timor), Australia	390	1
12	Singapore	374	1
13	China - Mainland	141	1

Transactions that reached financial close





Hybrid portfolio financing, Rajasthan

Adani Green Energy this year sealed a \$1.35 billion senior debt facility to finance India's largest hybrid cluster development. *IJGlobal* APAC editor **David Doré** explores India's first large-scale cross-collateralisation project financing structure in the hybrid space, and examines the market's single largest diversified commercial bank project finance deal since the 1990s.

Adani Green Energy's (AGEL) earnings call with debt investors on 10th May (2021) highlighted one of the company's most consequential transactions to close in FY2021.

AGEL sealed a \$1.35 billion senior debt facility with participation from 12 international banks to finance India's largest hybrid cluster development.

The facility will initially finance the 1.69GW hybrid portfolio of solar and wind energy projects under construction by 4 SPVs in India's north-western state of Rajasthan.

It is one of the largest revolving project finance deals to date in the Asian renewables sector.

The facility is also India's first Asia Pacific Loan Market Association-certified (APLMA) green hybrid project loan, although Soft Bank subsidiary SB Energy's 900MWdc solar farm in Phalodi-Pokhran Solar Park, Rajasthan, also claims to that distinction.

Financing

The \$1.35 billion senior debt revolving project finance facility is funding India's largest hybrid cluster development, which is under construction strategically in the heart of the Thar Desert near Jaisalmer.

The 12 commercial banks and their roles are:

- Standard Chartered – lead underwriter, MLA, bookrunner, environmental due diligence adviser, co-documentation bank and co-green loan coordinator
- MUFG – bookrunner, technical bank and co-green loan coordinator
- BNP Paribas – bookrunner and co-documentation
- DBS – bookrunner and accounts bank
- Mizuho – bookrunner and financial modelling bank
- Barclays – bookrunner
- Deutsche – bookrunner
- ING – bookrunner
- Intesa Sanpaolo – bookrunner

- Rabobank – bookrunner
- Siemens Bank – bookrunner
- SMBC – bookrunner

The transaction involved several innovations in India's project-finance market.

"This is the first diversified hybrid project financing," says a project insider.

"We've seen cross-collateralisation structures in the renewables space, going as far back as 2012," the source added, "and some on the bond side with cross-collateralisation."

"This is India's first extremely large-scale cross-collateralisation project financing structure in renewables and in the hybrid space in particular."

The closest structuring model comparable is a restricted group (RG). Although not common in India's US dollar bond market, AGEL and ReNew are among half a dozen or more sponsors with RGs in the bond market.

In India's finance market, cross-collateralisation often pertains to cashflow capabilities of the underlying projects and not physical security.

Since the Securities and Exchange Board of India (Sebi) classifies AGEL's revolving project finance facility as an external commercial borrowing (ECB), the sponsor can't cross-collateralise using physical assets.

In a bond RG, "each SPV guarantees the note obligations of the other 2 SPVs, although the notes constitute each issuer's obligations only on a several basis," Fitch explained in October 2020, when rating AGEL Restricted Group 2's \$362.5 million notes due 2039.

"It is sponsor-supported but the take-out is most similar to a bond refinancing take-out in particular," noted the project insider.

"It is the first time in many ways this quasi bond take-out structure with limited recourse has been structured in. The recourse is effectively for completion. However, the take-out has not been underwritten through

Vneet Jaain



"The banks that have committed to this strategic transaction are our key partners in ensuring seamless access to global capital for our underlying renewable asset portfolio."

the bond market, except an assurance of taking the projects to the bond market."

The RG-like project finance structure places a premium on the banks getting comfortable with the quality of the assets, quality of the project cashflows, and the sponsor's – in this case Adani's – record of mitigating completion risk.

This project finance RG model can be replicated across infrastructure sectors, including roads and smaller project financings.



"It's India's first project finance RG," the project insider points out. "It boils down to the sponsor's capacity to deliver the cluster of projects."

From an outsider's perspective, it may be surprising that no Indian lenders participated in the transaction. However, this was an international borrowing programme from the very beginning, a source shares.

"The banks that have committed to this strategic transaction are our key partners in ensuring seamless access to global capital for our underlying renewable asset portfolio," AGEL chief executive Vneet Jaain said in March (2021). "The facility will also ensure capital recycling needs of the banks and make the same capital available for future projects of AGEL."

A market insider insists this was the single largest diversified commercial bank project finance transaction in India since the 1990s.

"I've not seen a larger portfolio of international commercial banks come together. That's a massive achievement."

A project insider confirmed that the transaction reached financial close in FY21, after one of the 4 project companies had its first drawdown. "Different entities need money at different points in time," they said. "At least one of those entities has borrowed under the consolidated structure."

India's largest hybrid cluster development

The financing transaction was mainly achieved during the outbreak of Covid-19. Activities included not only limited site visits, technical and legal due diligence, and land review but also a review of Adani's portfolio.

Adani's 50/50 JV with French energy and power developer Total has 2.353GW of operational solar. Adani's own operational assets include 620MW solar and 497MW wind including 150MW wind assets under acquisition from Inox.

Adani also has 2.87GW under execution, split among:

- hybrid – 1.69GW
- wind – 1.13GW
- solar – 50MW

A further 8.9GW are near construction as follows:

- solar – 8GW
- hybrid – 600MW
- wind – 300MW

That's a combined 15.24GW across Adani's renewables portfolio, for anyone counting.

Bottom line is that Adani has experience delivering projects.

The 1.69GW hybrid cluster development near Jaisalmer spreads across more than 10,000 acres of land.

Bankers were attracted to the metrics of India's largest hybrid cluster:

- high capacity utilisation factor of 46%
- 100% contracted
- 25-year PPAs

Adani detailed 3 stages of the cluster development. AGEL fully de-risked stage 1 – site origination – well in advance. "Perfect location for hybrid," said the company, with these characteristics:

- solar irradiation – 2,000 kWh/sqm – top 5 in India
- wind speed – 7 meters/second
- ample availability of non-agricultural barren land

The cluster also has well planned evacuation. It is connected to central grid distributing power across India through high capacity transmission lines including 765kV.

Adani mostly de-risked stage 2 – site development. It has completed 71% of the total 10,294 acres of land acquisition while keeping an eye on stakeholder management and construction approvals.

Stage 3 – execution in progress – involves detailed engineering, supply chain management, site execution and O&M readiness, including integration to Adani's Energy Network Operations Centre.

The hybrid cluster will power more than 1.3 million households and annually avoid 5.8 million tons of CO2 emissions.

Advisers

Advisers to the sponsor were:

- Latham & Watkins – legal international
- Luthra & Luthra – legal local

Lenders' advisers comprised:

- Linklaters – legal international
- Cyril Amarchand Mangaldas – legal local
- Tractebel Engineering – technical
- UL – energy yield assessment consultant
- ERM – environmental & social
- Arcadis – environmental and social due diligence
- Deloitte – model audit
- Marsh – insurance

KPMG was the green loan's independent assurance provider.

Variability in renewable energy generation is a concern among power regulators, developers, bankers and advisers. As the share of renewable energy expands in the energy mix, the problem becomes more pronounced.

Hybrid wind and solar power plants help reduce variability in power generation. They also mitigate the intermittency challenge by having a higher capacity utilisation, as solar generation is higher during the day and wind generation can be higher at night.

While energy storage may be the missing asset to optimise this power solution, hybrid power plants are likely to gain market share. ■

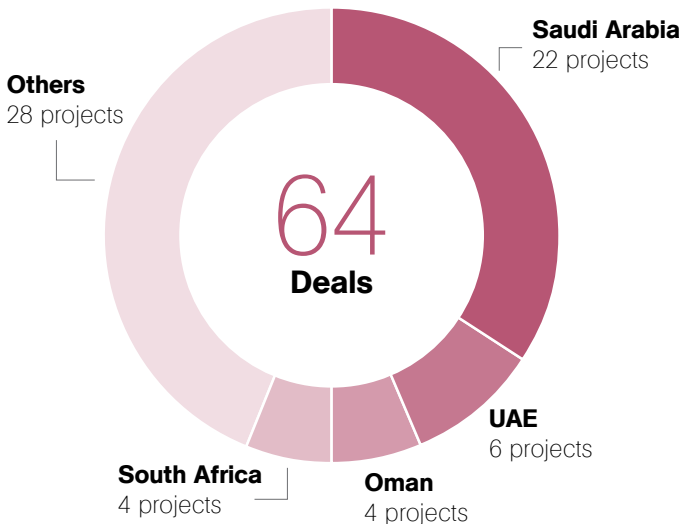
AGEL in April (2021) described the cluster as follows:

	Project 1	Project 2	Project 3	Total
PPA capacity (MWac)	390	600	700	1,690
Solar (MWac)	360	600	600	1,560
Wind (Mwac)	101	151	510	762
Counterparty	Seci	Seci	AEML	
Counterparty type	Sovereign	Sovereign	Sovereign equivalent rated	
Solar module maker	Longi	Longi and Jinko	Jinko	
Wind turbine generator maker	Suzlon	Suzlon	Siemens Gamesa and Suzlon	



Middle East & Africa

Tenders launched



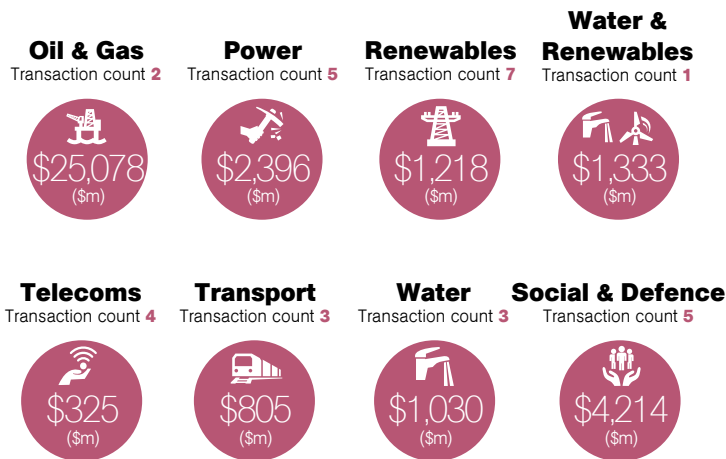
Projects with recent tender updates

1	Abydos Solar PV Plant (500MW)
2	Bahrain Metro Phase 1 (109KM)
3	Sudair Solar PV Plant (1.5GW) IPP
4	Red Sea Tourism Megaproject Renewable Energy & Water Infrastructure PPP
5	Acquisition of 49% in Aramco Oil Pipelines Company
6	IGCC Jazan Power Plant (3800MW)
7	Mphanda Nkuwa Hydro Power Plant (1500MW) IPP
8	Zayed City Schools PPP

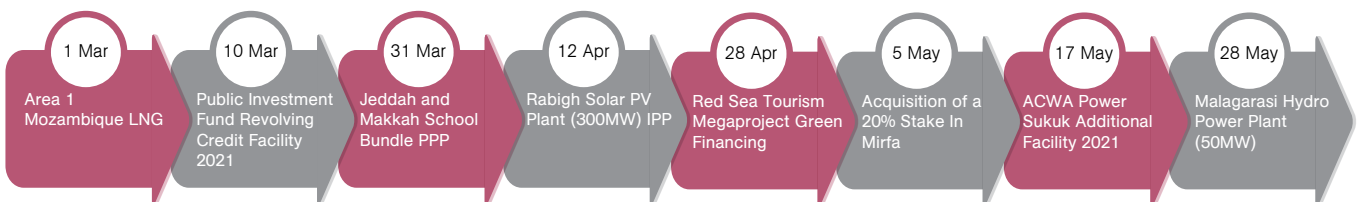
Closed deals by country

	Transaction Country	Value (\$m)	Count
1	Mozambique	22,578	1
2	Saudi Arabia	21,534	7
3	Israel	2,500	1
4	United Arab Emirates	2,420	3
5	Angola	530	1
6	Côte d'Ivoire	468	1
7	Egypt	284	2
8	Ghana	273	3
9	Uganda	271	1
10	Senegal	250	1
11	Morocco	165	2
12	Tanzania	144	1
13	South Africa	75	1
14	Benin	37	1
15	Madagascar	15	1
16	Rwanda	13	1
17	Nigeria	5	2
18	Malawi	2	1

Closed deal values by sector



Transactions that reached financial close





Yanbu-4 IWP Saudi Arabia

An Engie-led consortium put the 450,000 cubic m3pd Yanbu-4 IWP project to FC in March – contributing to the strong flow of water project financing in Saudi Arabia. *IJGlobal* reporter **James Hebert** reports.

Saudi Arabia's water drive continues with the 450,000 cubic metres per day (m3pd) Yanbu-4 independent water producer (IWP) project which was bought to financial close by an Engie-led consortium in March (2021).

The \$880 million project includes a 39km, 600,000 m3pd transmission pipeline – or water special facilities (WSF) – which will be the first such asset developed by the private sector in the Kingdom.

The sponsors were able to retain the pre-pandemic debt pricing for the \$400 million soft-mini perm signed with 5 banks.

The other lender – the Export-Import Bank of Korea (KEXIM) – provided an extra W260 billion (\$232.2 million) in debt which largely paid for the late addition of the WSF, and forms part of a strong Korean backing for the project.

The Saudi Water Partnership Company (SWPC) has successfully procured another major reverse osmosis desalination IWP, just 6 months after FC on Jubail 3A in September 2020.

Yanbu-4 will be located at Ar Rayyis within the Madinah Region on the Red Sea coast.

Tendering

The SWPC was not yet called that when Yanbu-4 was first launched alongside the

slightly smaller Shuqaiq-3 IWP by the former Water & Electricity Company (WEC) on 24 October 2017.

The design capacity of Shuqaiq-3 was later increased from 380,000 to 450,000 m3pd by the time it had been signed to a Marubeni-led consortium in January 2019.

The change may have been due to the protracted tender process of its formerly bigger brother in Yanbu-4.

Over a year-and-a-half later, WEC re-issued a call for expressions of interest (Eols) for Yanbu-4 in March 2019, despite the receipt of 51 such responses for the original October 2017 call.

Meanwhile, the \$600 million Shuqaiq-3 went to financial close just a few months later on 8 May 2019.

WEC became SWPC by the time 6 RFP responses were received on 7 October 2019 for Yanbu-4, but only 5 were deemed compliant.

The bids were finally opened on 13 February 2020:

- Engie, Mowah – SR1.7446/m3 (\$0.465227)
- FCC Aqualia, Haji Abdullah Alireza & Co, Alfana – SR1.7775/m3
- ACWA Power, Gulf Investment Corporation, Al-Babtain Contracting – SR1.8435/m3

- Marubeni, Marafiq – SR1.9168/m3
- Veolia Middle East, Alkhorayef Group, Al Bawani Water & Power – SR2.0242/m3

A sixth bid from Utico was declared non-compliant. SWPC had chosen to delay announcing the bid prices at the time, but Utico's proposal was undermined by the financial instability of its chosen EPC partner Hyflux.

Utico's long-term partnership with the Singaporean EPC contractor also complicated the tender for the 545,000 m3pd Hassyan IWP in Dubai over the course of 2020 – but Utico nonetheless won the tender in November that year and set a world record for desalinated water tariff at \$0.27762/m3.

The result in Dubai suggests that Utico may have also put in a highly competitive bid for Yanbu-4.

Nonetheless, back in Saudi Arabia the Yanbu-4 scheme was awarded to the Engie-led consortium. The members and equity stakes of the consortium are:

- Engie – 40%
- Mowah – 30%
- Nesma – 30%

Saudi Water Partnership Company (SWPC) signed with the sponsors the original 25-year PPA on 28 February 2020 using the winning tariff of 0.465227/m3.

However, due to the increased capex following to the addition of the WSF in February this year (2021), it means that the agreed tariff was raised accordingly in a new set of signed project documents from the same month.

Financing

Financial close was also an oft-delayed process, both due to the onset of the Covid-19 pandemic and the late addition of the WSF which amended the project documents.

The first target for FC was May 2020, however ensuing postponements were expected "given the impact of Covid-19 on some of the required local administrative CPs", a source close to the deal told *IJGlobal* in June 2020.

Even in April this year (2021), some deals in the MENA region are still being signed via





virtual ceremonies rather than in person.

Nonetheless, the Engie-led consortium put Yanbu-4 to financial close on 21 March (2021) after a year-long wait from the award in February 2020.

The debt/equity ratio is 72:28. The commercial banks on the deal are:

- MUFG – global facility agent
- KDB
- NCB
- Riyadh Bank
- Standard Chartered

The lenders signed in December 2020 on a \$400 million soft mini-perm using the same debt pricing agreed before the onset of the pandemic in March (2020).

Two lenders also provided equity bridge loans to the sponsors:

- Unicredit
- Riyad Bank

The project financing was reviewed by the second party opinion provider Viego Eiris, and thus was eligible for green loan principles. The green loan coordinator on the deal was MUFG Bank.

Yanbu-4 – a statement of intent

Yanbu-4 is emblematic of the Saudi intention to fulfill its national water objectives of the Vision 2030 initiative, while maintaining a primary role for the private sector.

The desal also features the ever-increasing local content requirements sought on new projects.

SWPC must be reeling. In spite of the pandemic, it has overseen the financial close of 2 major desalination schemes within 6 months, from the 600,000 m3pd Jubail 3A on 2 September 2020 to the 450,000 m3pd Yanbu 4 on 21 March (2021).

Like Jubail 3A, Yanbu-4 will include 20MW of solar PV to provide captive power and reduce the asset's burden on the national grid.

Moreover, the WSF will be transferred to the Saline Water Conversion Corporation (SWCC) upon construction.

The sponsor consortium signed with South Korean engineers Doosan Heavy Industries the \$708 million EPC contract for the desal in January (2021). The signing disclosed the deepened Korean role on the project with the involvement of Kexim, while

KDB was already attached to the deal some months prior.

The sponsors have said that they are committed to the local content requirements – a Saudization rate of 40% during construction, rising to 70% within 5 years of the start of commercial operations.

Yanbu-4 IWP is expected to begin commercial operations in Q4 2023.

Advisers

The advisers to SWPC were:

- SMBC – financial
- DLA Piper – legal
- ILF Consulting – technical

Deloitte advised local investor Mowah.

Engie was advised by:

- Covington & Burling – legal
- Mott MacDonald – technical
- Mazar – model auditor

The lenders were advised by:

- Herbert Smith Freehills – legal
- Atkins – technical ■



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