PIDG Pathfinder Autumn / Winter 2020 Welcome to the autumn / winter 2020 edition of the PIDG newsletter As the wider impact of COVID-19 continues to evolve across the world, many of us have been left with a sense of unease and uncertainty about what the future holds. For people who live in low-income countries, this feeling is undoubtedly magnified. PIDG companies have risen to this challenge by When we went into lockdown in the Spring, I was

continuing to support local communities with essential concerned about the outlook given that resources PPE and amenities necessary to slow the spread of that might have gone into infrastructure funding became scarce and were understandably redirected by the virus, while maintaining our core business to close infrastructure deals in the fragile states we operate in governments to deal with the pandemic. and which have been disproportionately impacted by Now, just three weeks from the end of our Financial

Year, I believe that we are going to have a very good

year and one that I would never have anticipated. We

have had to be especially resilient, but a lot of activity

has taken place and we have relied increasingly on our

local partners, even more now that we cannot travel.

As we look forward to 2021 and beyond, we can see

how the COVID crisis has changed our own strategic

priorities, for example, there is both opportunity and

health sector, there is a rapid growth in the renewable

energy sector and the need for greater transportation

operate collectively so that institutions like PIDG, MDBs and DFIs must work together to create much needed

development impact and ensure that we are able to

Read on to discover how InfraCo Africa are putting

safety at the heart of their infrastructure projects,

Myanmar, and on how **PIDG TA and EAIF** are using

COVID relief grants to support local communities

A video was also produced which celebrated the

Access to Energy Award 2050

2056

INFRACE

#EIAwards

InfraCo Asia's Philippines Smart Solar

Energy' award at the Energy Institute's

Network project won the 'Access to

nes Smart Solar Network Project

impact and progress GuarantCo has made over

the last 15 years.

Awards

EIA Award 2020

2020 awards in November

Azura-Edo project community members

In 2014, PIDG company, The Emerging Africa

Facemasks and PPE have been distributed to approximately 4,000 people from the Azura Edo project communities. 3,200 facemasks were distributed, and another 800 facemasks were reserved for the community Primary School children when they went back to school.

Four water projects (including, from the rehabilitation

of the boreholes) located in the Ihovbor and Orior

per cent completion in August 2020 and members

of both communities now have access to the water

provided. In the Ihovbor community, renovation of

Ihovbor Primary School water was actioned, and this is expected to provide water for about 250 pupils and

staff. The Ihovbor community water borehole was also

Primary School which is expected to provide water for

abandoned Orior community water borehole which is

200 pupils and staff, as well as the renovation of the

expected to provide water for about 1000 people.

could support the local communities and help to mitigate the effects of the virus. By providing funding for the rehabilitation of vital water infrastructure, as well as the supply of protective equipment, combined with an awareness campaign, we have enabled the Azura team on the ground to provide much needed support in these difficult times. PIDG are

proud to have been able to assist in implementing these activities."

Safety is at the heart of what we do

our projects and across PIDG.

personnel.

range of infrastructure services, including how KIS's

professionally trained ferry crew deliver passenger

safety information and manage the safe loading and

our Board representation we ensure HSES indicators

unloading of vehicles, passengers and freight. Through

are included in the project managements' performance

reviews and hold them to account for the safety of the

We have an open door policy with all of our projects

to talk to us about Health and Safety and likewise we

talk with our partners to flag any measures we think

would benefit them, sharing lessons learned between

As more of InfraCo Africa's projects move through

to construction and operations, my role will be to

maximising the truly incredible impact that our

projects can have. Our hope is that our partners,

contractors and sub-contractors will recognise the

benefits and advantages that a sound HSES policy

provides and will naturally adopt these measures on future work and spread the word to their industry

peers, that would make me sleep very well at night.

Despite the challenges, it is in the nature of the

PIDG and InfraCo model to take on pioneering

infrastructure in such challenging territories, with the

aim of creating a demonstration effect so that other

private sector players become willing and able to

develop similar projects. Take, for example, InfraCo Asia's 168MWp solar power project which reached

operations ahead-of-schedule in Vietnam's Ninh Thuan

with Singapore-based Sunseap International (Sunseap)

province in June 2019. The joint venture partnership

delivered one of the first utility-scale solar farms in

Vietnam, 100% funded by foreign debt and equity.

At a time when there was limited confidence in the

regional bank signalled that private sector confidence

could be won over under the right conditions, with the

creditworthiness of the project's off-taker, InfraCo Asia and Sunseap's successful raising of debt from a

Our aim is to achieve similar pathfinding success

than neighbouring countries such as Vietnam,

with Magway Wind Power. While the wind power development process in Myanmar is less structured

the ground-up campaigns led by InfraCo Asia and

ICM, have enabled significant progress on project

milestones – such as the collection of robust wind

with key stakeholders including the regulatory

Region Government (the project is based in the

Magway Region), and local communities.

Infra Capital Myanmar-ReEx (ICM) သည် InfraCo Asia (IAD) ကိုယ်စား မြန်မာနိုင်ငံအတွင်း

အကောင်အထည်ဖော်ဆောင်ရွက်ခြင်း လုပ်ငန်းများ ဆောင်ရွက်နိုင်ရန် ရည်ရွယ်ပါသည်။ IAD သည် အခြေခံ အဆောက်အအုံဖွံ့ဖြိုးတိုးတက်မှုနှင့် ရင်းနှီးမြှပ်နှံမှု လုပ်ငန်းများ ဆောင်ရွက်နေသော

အဆောက်အအုံဖွံ့ဖြိုးတိုးတက်ရေး စီမံကိန်းများတွင် ပုဂ္ဂလိက ရင်းနှီးမြုပ်နှံမှု အခန်းကဏ္ဍပိုမို ကျယ်ပြန့်

SolaRiseSys (SRS) သည် မြန်မာပြည်အတွင်း ကျေးလက်ဒေသဖွံ့ဖြိုးတိုးတက်မှုဦးစီးဌာန (DRD)၊ ကမ္ဘာ့ဘဏ် (WB) နှင့် အာရှဖွံ့ဖြိုးမှုဘဏ် (ADB)တို့၏ ထောက်ပံ့မှုဖြင့် အသေးစား လျှပ်စစ် ဓာတ်အားပေး ကွန်ယက်များကို ဆောင်ရွက်ပြီးစီးသည့်၊ နေရောင်ခြည်သုံး လျှပ်စစ် ထုတ်လုပ်ရေး ကဏ္ဍကို

Myanmar Rural Electrification Services (MRES) သည် IAD နှင့် SRS တို့ အကျိူးတူဖက်စပ် လုပ်ကိုင်သည့် Evergreen Renewables Co. Ltd (ERCL) ကုမ္ပဏီ မှ ဆောင်ရွက်မည့် စီမံကိန်းဖြစ်သည်။ ERCL၏ စီမံကိန်းများကို ICM နှင့် SRS မှ ပူးပေါင်းအကောင်အထည်

MRES စီမံကိန်းများအနက်မှ မကွေးတိုင်း၊ မင်းလှမြို့နယ် ၊ ခလိုင်းကျေးရွာအတွက် **အသေးစား**

လျှပ်စစ်ဓာတ်အားပေးစနစ် စီမံကိန်း တည်ဆောက်မည်ဖြစ်ပါသည် ။ စီမံကိန်း ဆောက်လုပ်ရေးဆိုင်ရာ

Myanmar.

breaking ground on the pioneering Magway Wind Power project –a utility-scale development in the region's last

ကနဦး

ငွေကြေး

နိုင်ငံကျော်တွင်

အစပြုရန်၊

နိုင်ငံပေါင်း

အခြေခံအဆောက်အအုံစီမံကိန်းများ

လာစေရန် ဆောင်ရွက်လျှက်ရှိပါသည်။

ဖော်ဆောင်ရွက်မည်ဖြစ်သည်။

အာရှဒေသရှိ

လုပ်ကိုင်နေသော ပြည်တွင်း ကုမ္ပဏီတစ်ခုပဲဖြစ်ပါသည်။

ကုမ္ပဏီဖြစ်ပြီး၊

data, completion of environmental and social impact

assessments, and the forging of strong relationships

authorities of the central government, the Magway

RENEWABLES

Singapore | Myanmar

ကျွန်မ စီမံကိန်းနှင့်

ပတ်သက်ပြီး

မေးချင်တာရှိပါတယ်

ကျွန်တော် စီမံကိန်းနှင့်

ပတ်သက်ပြီး

Through the community surveys, for example, the

turbines dangerous?' and 'How will the project affect

communications that are accessible for Myanmar's local

communities, the latest of which is an animated video

campaign, illustrating the benefits of wind power for

InfraCoAsia and PIDG TA are supporting a 4,000-household expansion of the

Philippines smart solar network project to introduce solar-powered community water systems as part of our COVID-19 response

EAIF backed expansion of the West Indian Ocean Cable Co, with a \$US40 million loan

(part of a US\$100 million facility, with US\$60m

Drilling tender progresses for transformational

InfraCo Asia Investments contributes

to growth financing package for rural

broadband roll-out in Indonesia

Corbetti geothermal project in Ethiopia

from Proparco. The third telecoms and digital

project backed this year by EAIF.

my crops?". Working closely with ICM, we sought to

address such concerns and more through bespoke

team frequently encountered questions such as 'Will the wind farm change the weather?', 'Are the

right team and the right partners.

ensure that we continue to keep people safe whilst

upgraded, positively impacting about 1500 people.

The Orior Osemwende community benefitted from

the provision of a water well at Orior community

Osemwende communities reached one hundred

Infrastructure Fund (EAIF), provided USD30 million in loans to Azura as part of the financing of a USD865 million, 450MW, power station in Benin City in Edo State, Nigeria. The construction of the power station began in 2016 and was completed in May 2018, ahead of schedule supplying 3.7 million households (approximately 22 million people) and

taking delivery of essential PPE

numerous businesses.

InfraCo Asia's efforts to pioneer wind power in

benefits in developing digitisation especially of the

networks. There has to be a reset in the way we

reach those most affected by the crisis.

in Nigeria.

Philippe Valahu, CEO, PIDG

the pandemic. This year we offer congratulations to PIDG companies GuarantCo and InfraCo Asia who recently celebrated their 15 and 10-year anniversaries respectively. Both companies continue to grow, and to work collaboratively across PIDG to catalyse impactful private sector investments and provide access to countries.

sustainable infrastructure to people in low-income Further congratulations are due to InfraCo Asia's Philippines Smart Solar Network project which has won the 'Access to Energy' award at the Energy Institute's 2020 awards in November. Next year, PIDG will mark its twentieth anniversary playing a pathfinder role at the frontier to enable development impact and unlock infrastructure investment. As part of PIDG's ongoing efforts to address issues

around diversity and inclusion, an Equity and Diversity Taskforce was set up this year to provide guidance and support in promoting anti-racism and build greater inclusion and equity across the organisation.

GuarantCo celebrates 15th Anniversary

On 13th October 2020, GuarantCo celebrated its 15-year anniversary. To mark this significant milestone, GuarantCo broadcast a webinar, with

speakers discussing key market opportunities, challenges and innovative solutions, as well as a look forward to what the future holds.

10 years with InfraCo Asia

InfraCo Asia celebrated its 10-year anniversary last month and honoured this achievement with an inspiring video which details the pioneering

infrastructure development they have facilitated in Asia's emerging and frontier markets over the

last decade.

Fulfilling our commitments to the SDGs

aimed at making our world more prosperous, inclusive, sustainable and resilient.

In 2015, 193 UN member states began working towards 17 Sustainable Development Goals

These Global Goals are an ambitious plan of action seeking to tackle inequality and leave nobody behind, with the aim to end extreme poverty and hunger by 2030. This September marked the 5-year

anniversary of the Global Goals, as well as the 75-year anniversary of the UN General Assembly. To mark these milestones the Private Infrastructure Development Group (PIDG) of companies ran an online campaign featuring the 2019 Groupwide infrastructure projects, which contribute towards achieving the SDGs. PIDG campaign to mark the 5-year anniversary of the SDGs

Supporting local communities during the COVID-19 pandemic As part of its ongoing commitment to support communities during the coronavirus pandemic, PIDG TA provided 22 TA grants and 1 Capital grant to PIDG projects to support COVID-19 responses, with a total commitment of USD1.633 million. Through its COVID grants PIDG TA has directly supported 28,000 workers to stay in work through the provision of safety equipment and procedures, provided 10,000 people with access to water and hand washing facilities and reached nearly 100,000 people with vital health messaging on how to stay safe and limit the

spread of the virus.

Some of the communities which have directly benefitted from this support are those surrounding the EAIF Azura-Edo project in Nigeria. supporting host communities to reduce spread of the virus Since the COVID-19 outbreak began, global demand for PPE has grown by a factor of 100 and prices are up to 20 times higher. While a global shortage of PPE is affecting communities around the world, the brunt

has fallen on the fragile countries in which PIDG operates. The donation of medical and non-medical PPE is helping to support the host communities to reduce the spread of the virus. Azura and EAIF used PIDG TA grants amounting to USD101,237 to support Azura's COVID-19 response by covering procurement and distribution of masks and of PPE and to cover the costs of the rehabilitation of four boreholes to access water, for the communities benefitting from the Azura-Edo project. Facemasks have been distribute to communities living around Azura-Edo project

Further medical PPEs were donated to the Orior

Osemwende Primary Health Centre, including surgical

hand gloves, surgical face masks, coveralls and hand

sanitizers. In June, 2020, the Azura ESG team visited

the host communities (the Idunmwowina, Orior and

Ihovbor communities) to distribute PPE including re-

useable facemasks.

Access to clean water is a key aspect of the COVID-19 intervention plan as it is a necessity for regular hand washing; a fundamental requirement of good hygiene practices advised by the WHO to prevent the spread of the virus. From the COVID-19 awareness campaign held in March, it emerged that there was very limited access to clean water in the nearby communities, primary schools and community centres. Azura engaged a construction firm (Willitud Nigeria Company Ltd) to assess this gap and recommend actions. **Emilio Cattaneo**, Head of PIDG TA, speaking about the initiative says: "We have been associated with the transformational Azura project in Benin City since its inception, and when the Covid pandemic struck, we consulted with our partners at the plant to identify ways in which PIDG

Putting safety at the heart of infrastructure development

Connor Dawson, InfraCo Africa As InfraCo Africa's Head of Asset Management I oversee the projects in our portfolio which are under construction, and those operational projects in which InfraCo Africa retains an interest.

InfraCo Africa is a unique company doing great work in some of Africa's most challenging countries. I have been really impressed by the projects I have visited so far which are having a huge impact on people's day-to-day lives. With the joy of achieving such impact comes considerable responsibility and I feel it is timely to talk about how we manage health and safety risk on our projects. Safety has perhaps been higher in the collective consciousness over recent months with the spread of COVID-19. Together with my team, we have led InfraCo Africa's response, working with PIDG colleagues and our project partners to identify and finance initiatives to keep people safe from the virus, both on our projects and in nearby communities. I am proud of our work which includes community awareness campaigns, the provision of PPE and equipment, the supply of clean water to a school and health post in Zambia and solar power to clinics in Ethiopia and Senegal which are now better prepared to meet the challenge of the virus in Africa. This focus on keeping people safe during the pandemic is an extension of our day to day work. Safety is at the heart of what we do. Right from a project's inception, our Business Development team are assessing potential Health and Safety risks and working to mitigate these in the project's design. We play an active role on project company Boards, monitoring and raising safety standards. On starting construction, ensuring that teams and contractors are aware of risks in the work they are undertaking is key and we utilise PIDG's 12 Life Saving Rules as a basis for reinforcing wider training around challenges such

as journey planning, electrical safety and working at

For me, the importance of journey planning was plainly evident on a trip to our Sierra Leone Mini-

grid project. A broken car ferry and treacherous

Planning our journeys and ensuring that we had

access to good cars, trained drivers and satellite

communications was the key to reaching our

road conditions made travel extremely challenging.

So, what does this safety-focused approach look like

from an Asset Manager's perspective? We get weekly

height.

destination safely.

updates from our project teams and undertake monthly HSE reviews, monitoring activity and community engagement to ensure that everyone is aware of HSE and associated risks. At Chiansi, a water irrigation project in Zambia, we employ an external HSE consultant to liaise with project teams daily. We also monitor HSE action plan lists, toolbox talks and community engagement and work to enable the timely closure of any identified HSE actions. On our Salima Solar site in Malawi, site safety measures include staff training, work permit checks and the installation of signage and barriers essential to undertaking excavation works. We also ensure that teams remain alert to natural hazards such as the risk of snake bites. By providing training to our project partners, we are working to ensure that everyone who works on our projects can talk as confidently about safety measures as PowerGen's electrician, Emmanuel Samu. He discussed with me the work he undertakes on the Sierra Leone Mini-grid project to ensure that his colleagues and customers are safe around the solar equipment he installs and maintains. Our operational projects report to our Head of HSES

on a monthly basis and supply quarterly reports to the project company Boards on HSE matters and statistics. At Kalangala Infrastructure Services (KIS) in Uganda, such reporting monitors safety across the company's

Pioneering infrastructure in Myanmar

 the last frontier for wind power Kenneth Goh, InfraCo Asia Kenneth Goh, Programme Manager at InfraCo Asia, oversees InfraCo Asia's contracted developer teams, covering a portfolio of 20 projects covering South and Southeast Asia. ICM is InfraCo Asia's contracted developer team for Myanmar, where InfraCo Asia's programme is funded by the UK's Foreign, Commonwealth and Development Office (FCDO), a member of the Private Infrastructure Development Group. In light of the coronavirus pandemic, and as government budgets focus on public health responses and stimulus packages, private sector investments in infrastructure have a bigger role to play in helping countries to Build Back Better and get back on a path towards sustainable and inclusive growth. Narrowing the infrastructure gap between developed and emerging markets has only become more challenging. And there is even more so a need to prioritise sustainable infrastructure in view of current financing constraints, in order to help governments respond to the longer-term crisis for which there is no two-year runway or a vaccine – climate change. In 2015, the Myanmar Ministry of Energy and

Electricity, in partnership with the Asian Development

Bank, put forward the Myanmar Energy Master Plan in

which the preferred energy scenario shows an energy generation mix of 57% hydropower, 30% coal, 8%

In 2016, InfraCo Asia, through its contracted developer

power projects with an estimated capacity of 263MW

team ICM and with the support of PIDG Technical

Assistance, began developing a portfolio of wind

in Myanmar's Magway region, to demonstrate the

natural gas and 5% solar and wind by 2030.

viability of wind power investments in Myanmar. To date, while there remains a strong case for the complementarity of wind power for Myanmar's energy mix, and a need for more power generation capacity, the process of developing and implementing the renewable technology is not without its obstacles. One of the workshop teams who have been working on the feasibility of wind power developments in Myanmar In the past year alone, a number of these engagements took the form of key capacity-building initiatives. With the support of PIDG Technical Assistance, the InfraCo Asia and ICM teams carried out two workshops covering the techno-commercial feasibility of wind power developments in Myanmar, as well as a study tour of the Newcom Group's Salkhit wind power project – a pioneer project for Mongolia's wind power sector. Evergreen Renewables Co. Ltd မှ အကောင်အထည်ဖော်ဆောင်ရွက်မည့် အသေးစားလျှပ်စစ်ဓာတ်အားပေးစနစ် စီမံကိန်း သက်ဆိုင်သော ပြဿနာဖြေရှင်းရေး ယန္တရားအား ရှင်းပြထားသည့် လက်ကမ်းစာစောင်

ကျွန်တော် စီမံကိန်းနှင့်

တ်သက်၍ သိချင်တာ

ကျွန်တော် စီမံကိန်းနှင့်

ပတ်သက်၍

သတင်၊အချက်အလက်

ဆောင်ရွက် သွားမည်ဖြစ်သည် ။ လူကြီးမင်းတို့ အနေဖြင့် စီမံကိန်း နှင့် ပတ်သက်၍ ကိစ္စတစ်စုံတရာ ဆွေးနွေးအကြံပြုလိုလျှင် သို့မဟုတ်၊ သိရှိလိုသည့်များ ရှိပါက ကျွန်တော်/ကျွန်မတို့အား အောက်ဖော်ပြပါ နည်းလမ်းများဖြင့် ဆက်သွယ် ပြောကြားနိုင်ပါသည်။ Cartoons were shown to improve the uptake of informational leaflets, including this grievance redressal mechanism developed by ICM, for InfraCo Asia's Myanmar Rural Electrification Services project. Beyond working with government bodies, the process of developing wind power in Myanmar has also required strategic communications on the ground, in order to improve buy-in for the wind power projects amongst local communities. This means creating open channels for consultation and communication, establishing accessible grievance redressal mechanisms, and directly addressing the concerns of the local community. Animated video campaign Throughout the development process, InfraCo Asia has also benefitted from the invaluable support and advice provided by the Foreign Commonwealth and Development Office (FCDO) of the UK government, enabling greater collaboration and enhancement of the UK's transference of experiences and investment into Myanmar. Building on these partnerships and our network of supporters, InfraCo Asia and ICM continue to strive towards

frontier for wind power – Myanmar.

In motio

(recent projects)

September 2020

First GuarantCo transaction in Tanzania

GuarantCo has provided CRDB Bank, the largest bank in Tanzania, with a USD 50 million TZS equivalent, 5-year portfolio guarantee

to enable the bank to grow its infrastructure loan book.

INFRAC October 2020 GuarantCo has provided MGA 36.9 billion (c. USD 9.3 million) partial credit guarantee to GreenYellow to support the debt funding of an operational solar plant and accelerate new green energy investments in Madagascar EMERGING AFRICA

INFRASTRUCTURE FUND

InfraCo Africa and PIDG TA are

November 2020

EAIF is supporting a local currency bond

issue to Senegal's national port of Dakar

as part of a new enterprise zone location

collaborating with Africa GreenCo Group (GreenCo) on an innovative approach to

InfraCo InfraCo Africa – EkoRent InfraCo Africa have signed a Shareholders Agreement making its first investment in the electric vehicle sector - to enable EkoRent Africa to scale up its pioneering NopeaRide electric mobility initiative in Nairobi. The initiative will accelerate access to zero-emissions taxihailing vehicles for businesses and private customers.

On the circuit PIDG CEO Philippe Valahu was invited to speak on a Infrastructure panel at the Africa Debate on 5th November, an annual forum hosted by Invest Africa which connects entities investing and operating across Africa. PIDG CEO Philippe Valahu was on CGTN Africa's Global Business show on 6th November to discuss the importance of infrastructure investments in supporting economic recovery in Africa post COVID-19.

Global Finance Magazine published an article on EAIF's commitment to moving essential infrastructure development deals forward despite the COVID-19 pandemic. EAIF's Roland Janssens was featured in an article about the road to financial close in African power journal, ESI Africa. Marco Serena, Head of Development Impact at PIDG, shared his insights on our impact journey and transparency in an interview with Publish What You Fund.

INFRAC@ASIA InfraCo Asia Investments and Karandaaz establish first-of-its-kind infrastructure credit enhancement facility InfraZamin Pakistan

Announcements InfraCo Africa has announced that it is opening a new office in Casablanca. The excellent transport links and professional networks offered by the Moroccan city will support the company as it establishes a permanent base for its

operations in West and Central Africa.

Blended Knowledge **GuarantCo has launched its Blended** Knowledge initiative, set up to address the need for blended finance to deliver private investments at the scale required to meet the SDGs and develop local capital markets across Africa and Asia.

England and Wales, whose registered office is at 6 Bevis Marks, London, EC3A 7BA. Tel: +44 (0) 203 848 6740 | www.pidg.org | Communications@PIDG.org Company number: 11265124 | VAT number: 296085564

The Private Infrastructure Development Group Ltd. ("PIDG") is a private limited company incorporated in

GuarantCo

Read the first Blended Knowledge bulletin