



Dear friends and colleagues, I hope you are all well and having a productive September.

As we approach the United Nations Climate Change Conference (COP26), the impacts of climate change and the ecological crisis have been at the forefront of discussions and initiatives here at PIDG.

In this edition of the PIDG Pathfinder, we are proud to introduce our Climate Strategy. This document details our strategic objectives and key sectors of focus, as we continue our work to mobilise private capital for infrastructure and support a just transition to net zero in the countries we operate in.

As well as news and project updates from across the PIDG companies, this month's newsletter also features insightful climate-focused blogs from our colleagues Marco Serena and Julián Bermejo, which will give you a detailed view of PIDG's commitment to climate action.

I would like to thank everyone who attended our recent webinar on 'Climate finance infrastructure in emerging markets'. We were pleased to host a distinguished panel of industry experts who shared perspectives from Nigeria, South Africa, Kenya, Vietnam and Pakistan. We are looking forward to inviting you all to future events, where we will have further discussions on our collective role in minimising the impact of climate change on the most vulnerable.

Philippe Valahu, CEO, PIDG

Insights



A Sustainable Development Impact rating for infrastructure investments?

The 76th Session of the UN General Assembly (UNGA) was in full swing in New York last week. The response to the COVID pandemic, the lack of progress on the Sustainable Development Goals (SDGs) and the urgency of climate action ahead of the COP26 summit have been the most prominent issues on the agenda.

As an infrastructure developer and investor in the countries that lag further behind on SDGs and are the most vulnerable to climate change, these issues could not feel any closer for our teams here at PIDG.

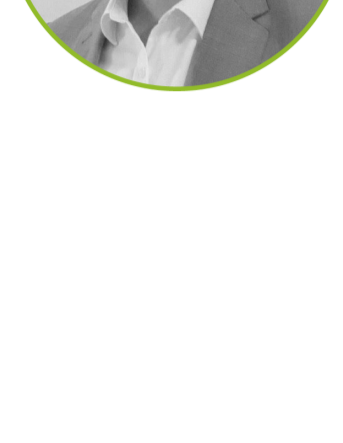
Marco Serena, Head of Sustainable Development Impact at PIDG, explores what the UNGA agenda means for infrastructure investment and whether there are ways to better signal to the market where the capital is most needed.

[Read more](#)

Electrical mobility - driving a cleaner future for Africa's cities

Many African cities are experiencing a 'perfect storm' of spiralling traffic congestion and air pollution borne of population growth, improved GDP, and the inherent difficulty of planning and financing long-term traffic management or non-motorised public transport solutions. With estimates suggesting that these cities will become home to an additional 950 million people by 2050, city planners and investors are grappling with the challenge of sustaining economic growth and urban mobility whilst cutting emissions and improving local air quality.

Julián Bermejo, Senior Business Development Manager at InfraCo Africa, writes about the role electric mobility can play in Africa's transition to clean transportation.



[Read more](#)

Project updates



Following a successful pilot project, PIDG company **InfraCo Africa**, has signed a Shareholders' Agreement and a Loan Agreement with **Bonergie Irrigation SAS** (Bonergie Irrigation) to continue supporting the scale-up of the project. Under the new agreements, InfraCo Africa will hold a large minority shareholding in Bonergie Irrigation, committing an additional US\$2.4 million to substantially scale up farmers' access to high-quality irrigation systems in Senegal.

It has long been recognised that reliance upon rain-fed agriculture exposes Senegal's farmers to the effects of climate change on temperature and rainfall patterns. In 2019, InfraCo Africa joined with solar equipment specialist **Bonergie Senegal** to establish Bonergie Irrigation, a local Special Purpose Vehicle, to pilot the implementation of over 100 high-quality Solar Powered Irrigation Systems (SPIS).

The agreements signed will see the commissioning, sale, installation and maintenance of at least 2,000 further pumps over the next three years. In response to feedback from the pilot, the project will also roll out over 500 drip irrigation systems (DIS) which are designed to optimise efficiency of irrigator whilst also protecting groundwater sources from over-abstraction. The systems come in a range of sizes to suit each farmer's needs with hire purchase financing available to spread the cost, making the systems more affordable.

It is anticipated that Phase II of the Bonergie Irrigation project will be completed by the end of 2023 with InfraCo Africa continuing to support the project as a shareholder.

[Read more](#)

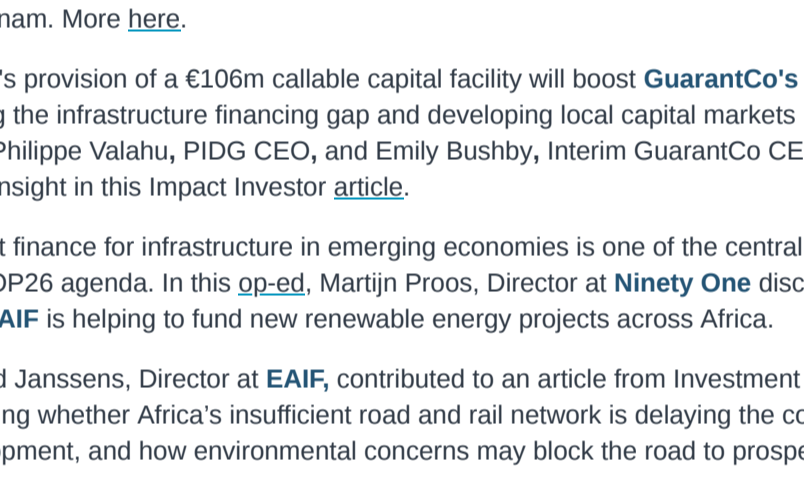
GuarantCo is proud to have co-funded K-Electric's safety awareness campaign through a **PIDG Technical Assistance** grant. As part of this programme, 40 women were trained as certified electricians so that they could educate their communities on safe electrical practices. The certification entailed 8000 man-hours of training and is enabling these women to break gender stereotypes, gain greater financial independence, and create their own space in traditionally male-dominated spaces.

Since their induction in the programme 7 months ago, the women have been engaging at a grassroots level with communities across Malir, Orangi, Surjani and Lyari, and have educated over 100,000 households on practices for safe use of electricity inside their homes.

The commitment and hard work of these women were marked as they graduated from this pioneering programme. GuarantCo and PIDG Technical Assistance hope to see a new wave of female electricians in Pakistan following the lead that these women have taken.



Latest news



- The latest PIDG Pulse episode on Kenya Capital Markets brings together an excellent panel from across the Group to discuss Kenya's clear commitment to embracing change and driving growth, and the key projects PIDG has enabled in the country. [Listen here.](#)
- InfraCo Africa's** new KUDURA mini-grid animation showcases the impactful work they are doing with RVE.SOL to drive socio-economic development in rural Kenya through clean energy access. [Watch it here.](#)
- GuarantCo's** latest Blended Knowledge Bulletin focuses on green capital market building in Vietnam. [More here.](#)
- FCDO's provision of a €106m callable capital facility will boost **GuarantCo's** efforts in closing the infrastructure financing gap and developing local capital markets in Africa and Asia. **Philippe Valahu**, PIDG CEO, and **Emily Bushby**, Interim GuarantCo CEO, provide more insight in this [Impact Investor article.](#)
- Project finance for infrastructure in emerging economies is one of the central issues on the COP26 agenda. In this [op-ed](#), **Martijn Proos**, Director at **Ninety One** discusses how **EAIF** is helping to fund new renewable energy projects across Africa.
- Roland Janssens**, Director at **EAIF**, contributed to an article from Investment Monitor exploring whether Africa's insufficient road and rail network is delaying the continent's development, and how environmental concerns may block the road to prosperity. [Read it here.](#)

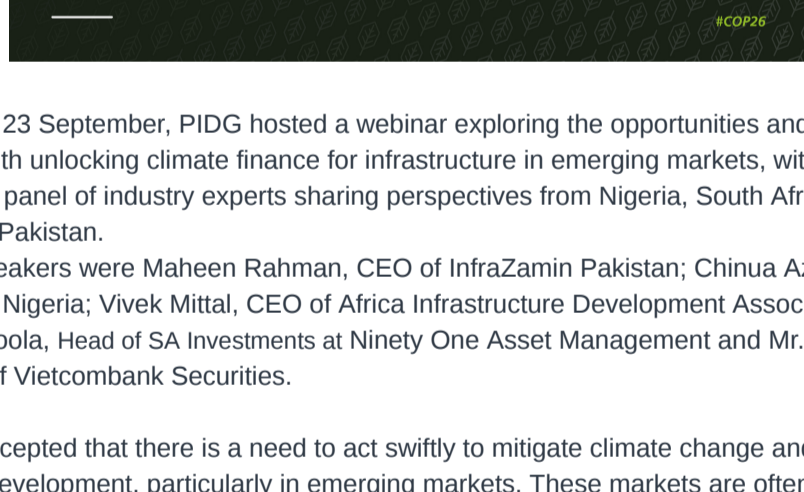
Climate



We are pleased to announce the launch of our Climate Strategy, which details our strategic objectives and key sectors of focus, as we continue to support the acceleration of an equitable and just transition to net zero emission in the countries we operate in.

PIDG aims to achieve this by enabling the development of low carbon, climate resilient infrastructure and mobilising flows of climate finance to countries with the widest infrastructure gap, to leapfrog and replace the highest GHG emitting technologies.

[Read it here](#)



On Thursday 23 September, PIDG hosted a webinar exploring the opportunities and challenges associated with unlocking climate finance for infrastructure in emerging markets, with a distinguished panel of industry experts sharing perspectives from Nigeria, China Azubike, Kenya, Vietnam and Pakistan.

Our panel speakers were **Maheem Rahman**, CEO of **InfraZamin** Pakistan; **Chinua Azubike**, CEO of **InfraCredit** Nigeria; **Vivek Mittal**, CEO of **Africa Infrastructure Development Association**; **Nazmeera Moola**, Head of SA Investments at **Ninety One Asset Management** and **Mr. Le Manh Hung**, CEO of **Vietcombank Securities**.

It is widely accepted that there is a need to act swiftly to mitigate climate change and deliver sustainable development, particularly in emerging markets. These markets are often the most vulnerable to the impacts of climate change but the least prepared to deal with them. Therefore, unlocking domestic climate finance is critical to meeting the SDGs and building climate resilience in the most vulnerable communities.

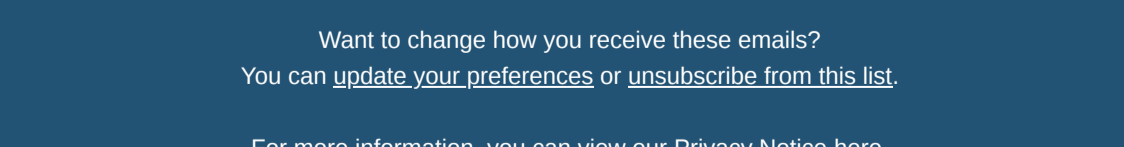
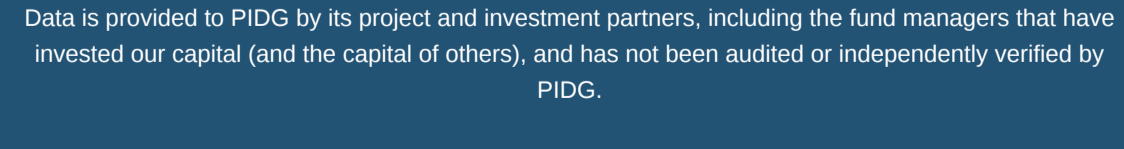
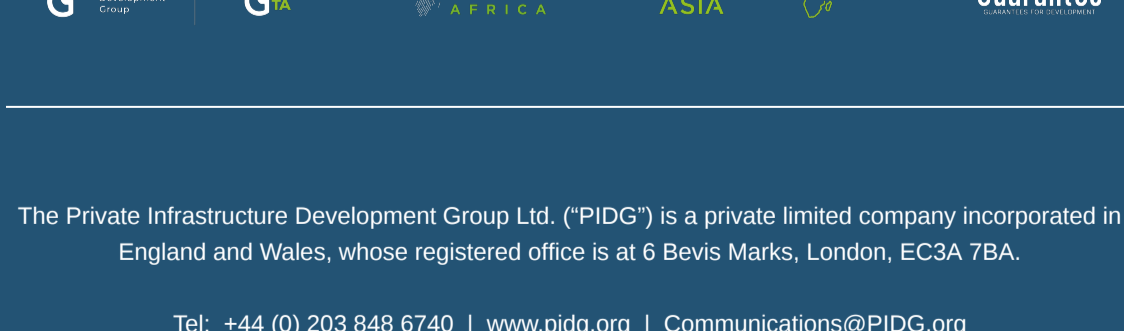
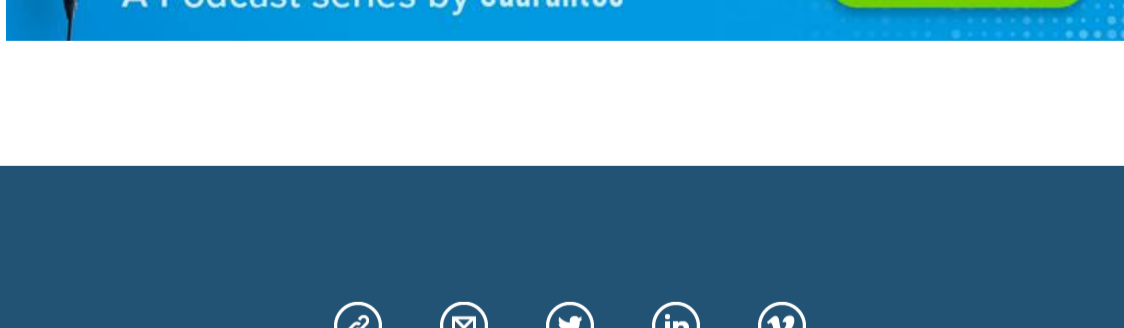
The panel advocated knowledge sharing, capacity-building, innovative risk mitigation mechanisms, and stronger institutional frameworks to encourage local investors and entrepreneurs to channel capital into infrastructure projects and support a just transition to net zero.

Watch a recording of the event [here](#).

Announcements



- PIDG**, **Meridiam** and **The Rockefeller Foundation** have successfully closed the **Catalytic Capital Fund (CCF)** - a key innovative pillar of The Urban Resilience Fund initiative. The CCF seeks to support cities through capacity-building and the mobilisation of private investment into infrastructure projects that support urban resilience. [Learn more.](#)
- InfraCo Asia** has successfully exited the portfolio of three projects that the Kiangnan hydropower project is a part of, following investments from **Renova Renewables Asia** and **Sta. Clara International Corporation**. Through its involvement in the projects, **InfraCo Asia** has fulfilled its mandate to de-risk infrastructure assets to the point where the private sector is willing to invest to take the projects to financial close, construction and operation. [Find out more.](#)
- InfraCredit Nigeria** has closed a US\$5 million equity investment from **Leadway Assurance Company Limited**, a leading financial services group in Nigeria. This investment will strengthen **InfraCredit's** ability to increase private sector investment for infrastructure projects in Nigeria. [Read more.](#)



The Private Infrastructure Development Group Ltd. ("PIDG") is a private limited company incorporated in England and Wales, whose registered office is at 6 Bevis Marks, London, EC3A 7BA.
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