

**PIDG Pathfinder**  
July 2021



Dear friends and colleagues,

We are well and truly into the second half of 2021, and I think we can all agree that this year has tested our adaptability and readiness to learn how to navigate the new normal.

Here at PIDG, we've been pushing forward with projects, closing deals and developing sustainable impact initiatives, all while taking care of our people's wellbeing.

In July's newsletter, you can read more about our recent venture into affordable housing, project updates and some of the ways in which the PIDG companies have been recognised for their dedication and hard work. This month, we also announced our Strategic Partnership with the Global Water Security & Sanitation Partnership (GWSP), a multi-donor trust fund housed within The World Bank's Water Global Practice (WGP). Read on to find out more.

As I always say, I am incredibly proud of our resilience this year and the work our people have continued to do. For our partners and peers entering the summer holiday season, stay safe, and may you be revitalised by your time with family and friends.

Our work at PIDG is not yet done for the year, and we are grateful we can continue to meet the challenges ahead with your support and encouragement.

**Philippe Valahu, CEO, PIDG**

**Mobilising Affordable Housing Delivery in Ghana and Nigeria**



On 15 June 2021, PIDG, together with the Foreign, Commonwealth & Development Office (FCDO) Accra and Lagos, hosted an Affordable Housing Workshop with contributions from the Ghanaian and Nigerian governments, the [ECDO GuarantCo](#) (a PIDG company), InfraCredit Nigeria, [Mixa Africa](#), the [Centre for Affordable Housing Finance in Africa](#), the [National Housing and Mortgage Fund - Ghana](#), CDC, the Ghana Infrastructure Investment Fund and the [World Bank](#).

The workshop was attended by key figures including Honourable Minister for Works and Housing, Ghana – Honourable Francis Asenso-Boakyie, Honourable Minister of State for the Federal Ministry of Works and Housing, Federal Republic of Nigeria – Engineer Abubakhar Aliyu and Philippe Valahu, PIDG CEO.

**Tim Streeter**, Head of Investor Relations at PIDG shares the key findings from the discussions, highlighting the importance of local currency and capacity building, sustainability, and green finance solutions in the delivery of affordable housing in Ghana and Nigeria.

[Read more](#)

**Project updates**



**InfraCo Africa** and [Rural Village Energy Solutions \(RVE-SOL\)](#) signed a joint Shareholders Agreement on 6 July, committing a total of \$8 million to support the scale up of RVE-SOL's innovative multi-sector KUOJURA Power East Africa (KPEA) business in Kenya. InfraCo Africa will become a 40% shareholder of KPEA.

To date, RVE-SOL has established 20 operational mini-grids in the country. With support from InfraCo Africa, the project will build an additional 22 mini-grids across Busia County, in northwest Kenya. Incorporating battery back-up, the mini-grids will range in size from 10 – 60kWp, totalling 512kWp. A modular design enables the company to respond to changing electricity demand over time. The project will empower over 7,000 new rural electricity connections through a mix of densification of existing sites and addition of new mini-grids.

[Read more](#)



During a visit to Côte d'Ivoire by Mr. Jean-Yves Le Drian, the French Minister for Europe and Foreign Affairs, Proparco and the Emerging Africa Infrastructure Fund (EAIF) closed a 165M EUR project finance deal and 13M EUR grant to secure the financing of Bioeva project in Ivory Coast, which will be the first biomass power plant with grid injection in Africa.

The loans are granted by Proparco, the private sector financing arm of Agence française de développement (AFD) Group, and the Emerging Africa Infrastructure Fund to Bioeva Energie, which was the winner of the 25-year concession to design, build, operate and transfer the 46MW biomass plant.

Image via [Afric21](#)

[Read more](#)

On 14th June, Mozambique's Minister of Mineral Resources and Energy, Dr Ernesto Max Tonela, was the official guest at a ground-breaking ceremony to mark the beginning of work on a new 15MW solar electricity plant in the Teteraene District of the city of Cuamba. Financial close is expected shortly, when PIDG company EAIF is scheduled to announce a US\$19 million loan to the project. Cuamba will be the 22nd renewable energy project supported by EAIF and the first with utility scale battery storage.

The owner and operator of the Cuamba plant is Central Electrica de Teteraene SA (CET) whose majority shareholder is Globeleq, the London-based business that specialises in the African power sector. EAIF is the sole lender to CET. CET has been awarded a US\$7 million Viability Gap Funding grant by PIDG TA. CDC, a shareholder in Globeleq, has provided another grant.

**Latest news**

- EAIF is providing a €30 million loan to support the development of a new biomass power plant in Cote d'Ivoire, Bioeva. Read the latest [EAIF Insights](#) blog piece, where Olivia Carballo, a Director at EAIF's investment manager, [Ninety One](#), writes about the project and its benefits.
- PIDG is a member of the [Joint Impact Model initiative \(JIM\)](#), which combines insights and learnings from multiple organisations and research studies into a single tool, enabling investors to assess economic and environmental impacts of investments. To learn more about the members and get access to resources, publications, informational videos and more, visit the recently launched [JIM website](#).
- InfraZamin Pakistan** held a successful launch event on Friday 25 June in Karachi, Pakistan. The launch marked the commencement of InfraZamin's commercial operations and saw high-level representation in its audience – including government dignitaries, as well as those representing Pakistan's corporate and finance leadership. The launch event garnered widespread and positive press coverage, and we were very pleased to see InfraZamin woven into the narrative of Pakistan's economic growth and the development of its financial sector.
- The fifth edition of the [GuarantCo Blended Knowledge Bulletin](#) is now available [here](#). Highlighting GuarantCo's business news and updates over the last month, the edition also features an article, video and podcast discussing GuarantCo and PIDG TA's role in facilitating returnable technical assistance grants which support blended finance initiatives.

**Climate**

As part of our ongoing 2020 Annual Review campaign, **InfraCo Africa** shared a video of the construction of their Salima Solar project, which is delivered in partnership with [JCM Power](#) in Malawi and will deliver clean energy access, addressing SDG7 and climate action.

[Watch the video](#)

**Announcements**

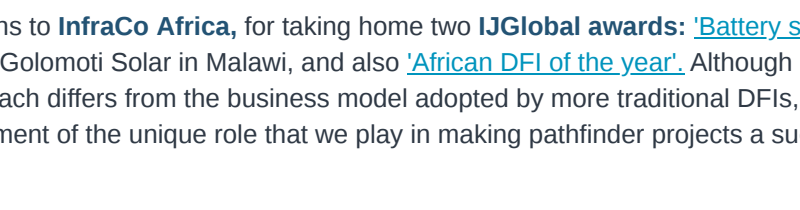
PIDG is pleased to announce that it has entered into a Strategic Partnership with the [Global Water Security & Sanitation Partnership \(GWSP\)](#), a multi-donor trust fund housed within The World Bank's Water Global Practice (WGP). PIDG TA will provide a grant to support two major water sector activities that will be implemented in the next 24 months.

PIDG's involvement will provide additional funding for the scale-up needed to make substantive progress on closing the infrastructure financing gap in water and sanitation, by facilitating private investment into this important sector through knowledge delivery, capacity building and targeted technical assistance. [Find out more.](#)

The **Foreign, Commonwealth and Development Office (FCDO)** has provided **GuarantCo** with an additional **GBP 90 million callable capital facility**. This further investment is in addition to the GBP 40 million callable capital facility that FCDO provided in 2016 and is part of the GBP 500 million which FCDO committed to PIDG in 2018 as a result of the British Prime Minister announcement to commit GBP 4 billion public sector investment in Africa over four years. [Read more here.](#)



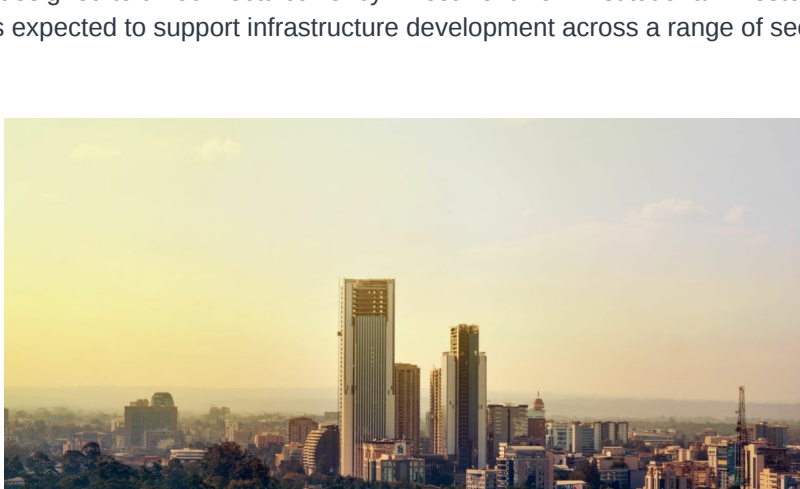
Congratulations to **InfraCo Africa**, for taking home two **IJGlobal awards: 'Battery storage deal of the year'** with Golomoti Solar in Malawi, and also **'African DFI of the year'**. Although InfraCo Africa's approach differs from the business model adopted by more traditional DFIs, IJGlobal's acknowledgement of the unique role that we play in making pathfinder projects a success is much appreciated.



International rating agencies, [Fitch Ratings](#) and [Moody's Investors Service](#), have affirmed **GuarantCo's** ratings of A1 and AA- respectively. Fitch confirmed that the affirmation reflects the maintained financial soundness of GuarantCo's funders, the company's exceptionally strong risk-adjusted capitalisation and low risk investment portfolio. Moody's referred to GuarantCo as an "innovative business with high development impact" in their report. [Read more.](#)

The **Pakistan Credit Rating Agency (PACRA)** has also re-affirmed GuarantCo's credit rating at AAA stable reflecting the maintained financial soundness of GuarantCo's funders, the steady growth in the guarantee portfolio, growth in equity base, its robust ownership structure and strong liquidity buffer.

**Cardano Development** and **InfraCo Africa**, have signed a Joint Development Agreement, committing up to US\$1 million to the development of a **credit enhancement facility in Kenya**. The investment is being made through InfraCo Africa's dedicated investment vehicle. The facility will be designed to unlock local currency investment from institutional investors and once established, is expected to support infrastructure development across a range of sectors. [Read more here.](#)



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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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Data is provided to PIDG by its project and investment partners, including the fund managers that have invested our capital (and the capital of others), and has not been audited or independently verified by PIDG.

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