

Unlocking Long Term Local Currency Infrastructure Finance in Nigeria



About InfraCredit

Infrastructure Credit Guarantee Company Limited (InfraCredit) is a specialised financial guarantor backed by the Nigeria Sovereign Investment Authority, GuarantCo (a Private Infrastructure Development Group company), KfW Development Bank and Africa Finance Corporation to provide local currency guarantees and mobilise long-term domestic debt capital for infrastructure in Nigeria. InfraCredit guarantees act as a catalyst to attract domestic credit from pension funds, insurance firms and other long-term investors into credit worthy infrastructure projects thereby deepening the Nigerian debt capital market.

RATINGS



CAPITAL PROVIDERS



CAPITAL

TARGET CAPITAL

200^m
USD

CORE CAPITAL

50^m
USD

(NGN EQUIVALENT)

SUBORDINATED CAPITAL

61^m
USD

CALLABLE CAPITAL

25^m
USD

GUARANTEE CAPACITY

UP TO **1 billion** USD
(NGN EQUIVALENT)

IMPACT



N31.5bn TOTAL SIZE OF GUARANTEED BONDS



15 NUMBER OF PENSION FUND INVESTORS



UP TO **15** yrs



4 INFRASTRUCTURE PROJECTS THAT REACHED FINANCIAL CLOSE

WE PROMOTE

Financial inclusion

By bringing first-time issuers to the domestic bond market

Financial deepening

By extending bond tenors for corporates, and by broadening pension fund investor bases

Financial innovation

By introducing new fixed income instruments such as green bonds

DEVELOPMENT PARTNERS



THE OPPORTUNITY

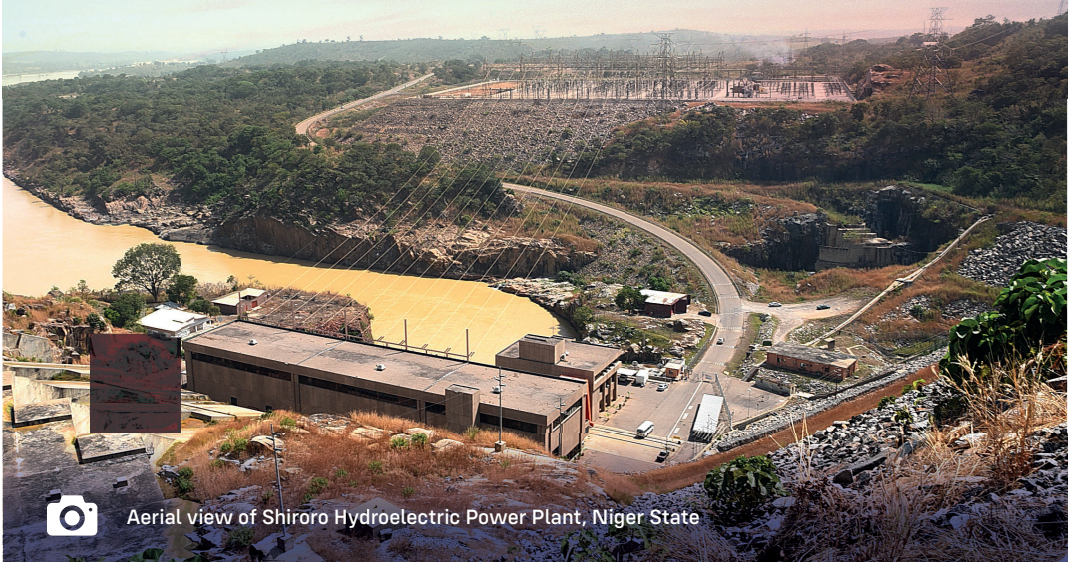


With the advent of InfraCredit, over the past two years, its guarantees have facilitated first-time access to long term local currency finance of up to 15-year tenor from the domestic bond market in aggregate of N31.5 billion in guaranteed corporate infrastructure bonds for three infrastructure companies

	Sector	Bond Size	Tenor	Year of Issue	No. of PFAs	FGN Spread
 	Off-grid power	NGN10.0 billion	10 years	2017	12	82bps
 	On-grid power	NGN8.5 billion	15 years	2019	9	70bps
 	Off-grid power	NGN13.0 billion	15 years	2019	10	66bps

These corporate debt instruments were oversubscribed by up to 60% from local pension fund investors, with participation by 15 pension fund investors (managing 75% of the industry assets under management) subscribing to InfraCredit-guaranteed infrastructure bonds; signifying strong investor appetite and confidence in its credit standing

// Domestic pension funds have demonstrated increased appetite to invest in bankable corporate infrastructure bonds in Nigeria, it has never been more timely and important for infrastructure companies to access long term local currency finance of up to 20-year tenor from the domestic bond market at affordable fixed interest rates to finance long-term infrastructure projects and refinance short term high interest loans. //







Aerial view of Shiroro Hydroelectric Power Plant, Niger State

Contact



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