

# Unlocking Long Term Local Currency Infrastructure Finance in Nigeria

## OUR MANDATE

To provide local currency guarantees and mobilise long term domestic debt financing for infrastructure in Nigeria

## RATINGS

**Agusto&Co.** / **AAA**<sup>(NG)</sup> July 2025  
Research, Credit Ratings, Credit Risk Management

**GCR** / **AAA**<sup>(NG)</sup> July 2025

**FitchRatings** / **AAA**<sup>(NGA)</sup> July 2025

## CAPITAL PROVIDERS

SOVEREIGN WEALTH FUND & DFIs

PRIVATE INSTITUTIONAL INVESTORS

## CAPITAL

TOTAL CAPITAL

**172 m USD**

CORE CAPITAL

**101 m USD**

SUBORDINATED CAPITAL

**71 m USD**

## GUARANTEE CAPACITY

UP TO **NGN 1.19 trillion** **\$802 mln USD EQUIVALENT**

## IMPACT

**N218 bn** TOTAL SIZE OF GUARANTEED DEBT  
\$445 MLN EQUIV

**19** NUMBER OF PENSION FUND INVESTORS

**UP TO 20 yrs**

**21** 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

## ELIGIBILITY CRITERIA

- Naira denominated
- Debt Instrument (including Sukuk)
- Must be an eligible Infrastructure Activity
- Acceptable Credit Profile based on InfraCredit's internal credit assessment
- Asset value is not directly linked to oil
- Minimum 'Bbb-' investment grade rating
- Adequate Security Package
- Debt Tenor of up to 20 years
- Satisfies InfraCredit's Environmental and Social Safeguards Standards
- Is not on IFC's Project Exclusion List
- Issuer is PENCOCM Compliant

## ELIGIBLE SECTORS

- Power – On-Grid/Off-Grid/ Renewable
- Gas-to-Power and Gas-to-Clean Cooking
- ICT/Telecoms
- Logistics and Special Economic Zones
- Transportation
- Agriculture
- Manufacturing
- Social Infrastructure – i.e., Water & Waste
- Healthcare
- Green Housing
- Education

## DEVELOPMENT PARTNERS

## RISK SHARING PARTNERS

## RECOGNITION

InfraCredit is a Harvard Business School Case Study

**HARVARD BUSINESS SCHOOL**











### HBS Case Study:

Infrastructure in Nigeria: Unlocking Pension Fund Investments is being taught on HBS's MBA Program.



## ELIGIBLE SECTORS

InfraCredit will support eligible projects in any of the following infrastructure related activities:

 <p><b>POWER:</b> The generation, transmission and/or distribution of electricity, including off-grid embedded power electrification</p>	 <p><b>ICT/TELECOMS:</b> Local telephone services and IT network, internet solutions, voice, data center and cloud services to providers</p>
 <p><b>RENEWABLE ENERGY:</b> Alternative energy and renewable energy technologies ranging from solar power, wind power, and hydroelectricity</p>	 <p><b>GAS TO POWER</b> Gas-to-Power projects (e.g. processing, distribution) and Gas-to-Clean Cooking projects (e.g. storage, distribution)</p>
 <p><b>WATER DISTRIBUTION:</b> Urban/rural fresh water production and treatment, bulk water supply and distribution (water reservoirs, transfer schemes)</p>	 <p><b>SOCIAL INFRASTRUCTURE:</b> The provision of economic and social infrastructure (e.g. housing, healthcare, education) including industrial parks, within towns and cities</p>
 <p><b>WASTE MANAGEMENT:</b> Solid waste disposal/collection, transportation and waste treatment, including waste recycling facilities</p>	 <p><b>INPUTS TO INFRASTRUCTURE:</b> Manufacture, construction of goods, equipment, or other basic materials or services used in provision of infrastructure</p>
 <p><b>TRANSPORTATION:</b> Fixed transportation infrastructure e.g. toll roads, bridges, rail, airports, ports and bulk storage/handling facilities</p>	 <p><b>AGRICULTURE:</b> Infrastructure component of agro-industrial projects e.g. investments in agro-food processing/storage for agribusiness</p>

## ELIGIBLE TRANSACTIONS



**NAIRA DENOMINATED DEBT INSTRUMENT (INCLUDING SUKUK)**



**DEBT TENOR OF UP TO 20 YEARS**



**ISSUER IS PENCOM COMPLIANT**



**SATISFIES INFACREDIT'S ENVIRONMENTAL AND SOCIAL SAFEGUARDS STANDARDS**



**ACCEPTABLE CREDIT PROFILE BASED ON INFACREDIT'S INTERNAL CREDIT ASSESSMENT**



**IS NOT ON IFC'S PROJECT EXCLUSION LIST**



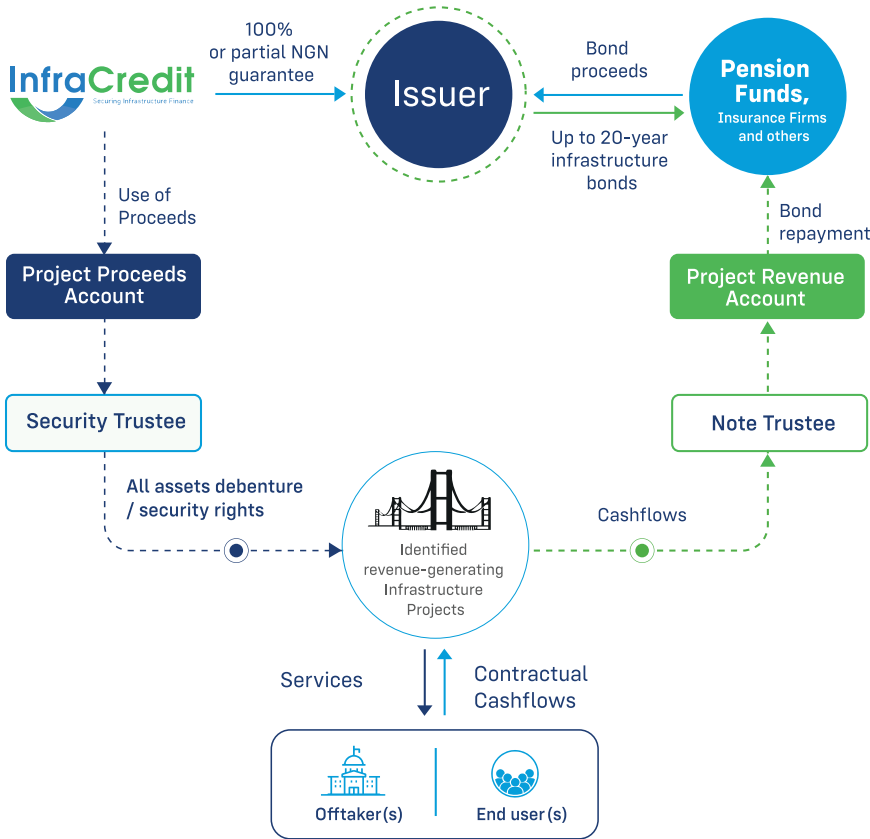
**MINIMUM INVESTMENT GRADE RATING WITH ADEQUATE SECURITY PACKAGE**



**MUST BE AN ELIGIBLE SECTOR**

# HOW WE WORK

## Basic Transaction Schematic

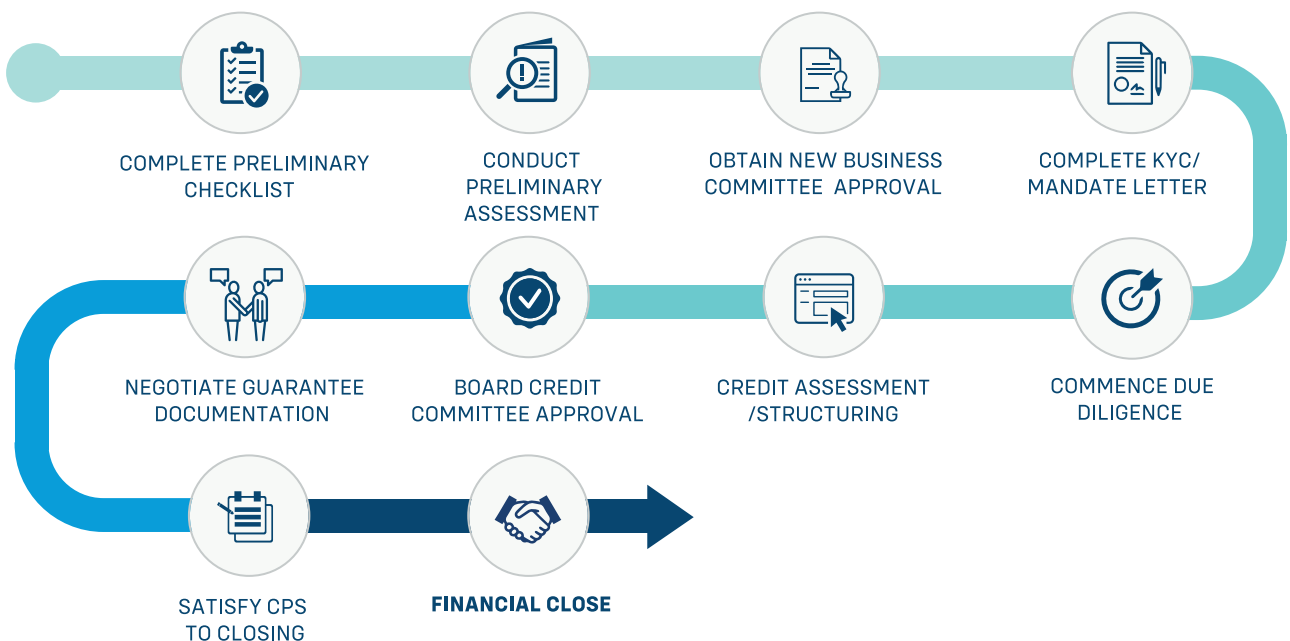


## Key Features

- Guarantee Features**
  - Irrevocable & Unconditional
  - Naira Obligations
  - Up to 100%
  - Senior Ranking Obligations
  - Non Acceleration
  - Up to 20 year Maturity
  - Pari Passu Rights
  - Voting Rights
- Legal Documentation**
  - Deed of Guarantee
  - Recourse Agreement
  - Security Deed
  - Other Documents

## Guarantee Transaction Process









































Deal Execution will be conducted in three phases: **Origination (Preliminary Assessment), Due Diligence & Structuring and Final Approval/Closing**



# THE OPPORTUNITY



With the advent of InfraCredit, over the past six years, its guarantees have facilitated first-time access to long term local currency finance of up to 20-year tenor from the domestic debt market in aggregate of **USD 445 million** (NGN Equivalent) indexed to the exchange rate at deal closure date in guaranteed corporate infrastructure debt for twenty infrastructure companies.

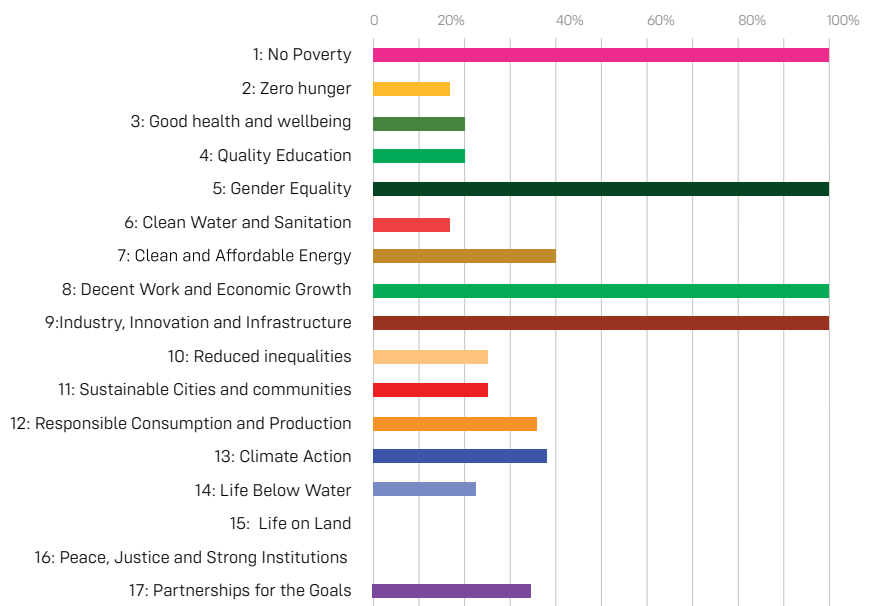
		Sector	Size		Sector	Size
1		 Off-Grid Power	NGN10.0 bn USD27.8 ml	11	 2022, 2023 & 2024	 Gas to Power NGN9.86 bn USD12.4 ml
2		 On-Grid Power	NGN8.5 bn USD23.5 ml	12		 LPG Storage NGN3.0 bn USD4.4 ml
3		 Off-Grid Power	NGN13.0 bn USD35.9 ml	13		 Off-grid Power NGN12.2 bn USD15.2 ml
4		 Transport & Logistics	NGN17.0 bn USD42.1 ml	14		 ICT/Telecoms (Rural Telephony) NGN0.95 bn USD1.26 ml
5		 Special Economic Zones	NGN53.0 bn USD123.4 ml	15		 Manufacturing NGN10.0 bn USD12.7 ml
6		 Transport & Logistics	NGN20.0 bn USD48.3 ml	16		 Manufacturing NGN10.0 bn USD12.9 ml
7		 Telecoms Infrastructure	NGN10.0 bn USD24.1 ml	17		 Healthcare Infrastructure NGN6.5 bn USD7.9 ml
8		 LPG Storage & Distribution	NGN1.5 bn USD3.6 ml	18		 Renewable Energy (Solar) NGN0.75 bn USD0.81 ml
9		 LPG Storage	NGN12.0 bn USD 17.1 ml	19		 Green Housing NGN5.5bn USD5.4 ml
10		 Renewable Energy (Solar)	NGN0.8 bn USD1.8 ml	20		 Renewable Energy (Solar) NGN1.8 bn USD1.4 ml

These corporate debt instruments were oversubscribed by up to 60% from local pension fund investors, with participation by 19 pension fund investors (managing c.75% of the industry assets under management) subscribing to InfraCredit-guaranteed infrastructure bonds; signifying strong investor appetite and confidence in its credit standing.

# DEVELOPMENT IMPACT

**Our Theory of Change** hinges on three pillars where InfraCredit is delivering impact through its activities at the market, project and end user level, with specific measurable outcome indicators.

Market	Projects	End User
InfraCredit will expand the debt capital market, investor base and new sources of capital for infrastructure financing. InfraCredit will also support the emergence of an enabling environment with favourable policies and incentives, and connected networks of actors, to support infrastructure development	InfraCredit will enable infrastructure project developers to access longer tenor capital at competitive rates, and will ensure high-impact and viable projects are increasingly, successfully and sustainably executed, and create jobs	InfraCredit's financing activities will deliver increased infrastructure access, reliability and resilience leading to improved livelihoods. As a consequence of these outcomes, InfraCredit will enable improved business productivity leading to economic growth and social development



## OUR PORTFOLIO IMPACT



- 4622 jobs supported
- 34 newly registered businesses with access to infrastructure in the free zone area.
- Over 1000 SMEs with improved access to infrastructure.



- 370 green and affordable housing units through the NTV project



- Emissions reduction 451,000CO2 eq
- Estimated forest savings from LPG displacement of fuel wood utilization for cooking: 16.64 ha



- 535 permanent jobs for women.
- 38 women jobs at the managerial level, representing a total of (23%). 19 Female truck drivers (TSL)
- Community investment schemes by portfolio companies target women-owned and/or women-led enterprises e.g., micro-loans for women-led SMEs and women cooperatives.



- Over 1,000,000 beneficiaries with improved access to infrastructure.
- 1,534 logistics trucks (TSL and GPC)
- 17,152,000 tonnes of bulk cargo transported.



- 600MW of hydropower installed
- 1711 KWp of solar mini-grids installed
- 15,000 MT of LPG Storage Facility
- 4,113.02 improved hours of power

We are proud signatories of:



// Domestic pension funds have demonstrated increased appetite to invest in bankable corporate infrastructure debt in Nigeria, it has never been more timely and important for infrastructure projects to access long term local currency finance of up to 20-year tenor from the domestic debt market at affordable 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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