



July-August 2022 Newsletter

As the horizon keeps darkening, Infrastructure financing remains a bright spot in the global economic landscape. Fundraising during first half of the year has never been so high at over 100b\$, and investment needs in key collective assets and services keep increasing while the public fiscal space is more constrained than ever. In Europe, the ongoing geopolitical crisis linked with the Russian invasion of Ukraine has, if anything, accelerated further the need for investment in energy transition and the shift to decarbonized economy. Add to that the overall resilience of unlisted infrastructure equity investments to external shocks and extreme risk measures (including interest-rate shocks, a good proxy for inflation) , as demonstrated in the latest joint EDHEC Infra-LTIIA study (see below) , disseminated on July 11th, and you have all the ingredients for a continued expansion of private investment in the Infrastructure universe.

While the private and institutional investors stand ready to increase their allocations to Infrastructure, there is still a need for clearer policy frameworks and reliable project pipelines in many jurisdictions, not to mention adapting some overly limiting regulatory constraints. This is what LTIIA, building on its recognized role as a legitimate voice for the private investors industry, will continue doing in the coming period, conveying investors' expectations and perspectives to Governments and regulators as they work on policy frameworks. A first such opportunity will come as early as mid-July in Bali , on the occasion of the G20-OECD Infrastructure Investors Dialogue on leveraging Private sector participation in sustainable infrastructure investment, where LTIIA will develop its views on what is needed from a G20 framework on sustainable infrastructure.

F.Bergere, Secretary General

LTIIA registers a new member : CDP



CDP is the Italian National Promotion Institution (NPI), fostering sustainable development in Italy, using the country's savings responsibly to support growth and boost employment, innovation, business competitiveness, with a strong focus on infrastructure and local development. In 2014, CDP has also become Italy's Development Finance Institution with the aim to promote sustainable development on a global scale, offering a wide range of financial products to public and private entities. By leveraging CDP Group's expertise, CDP International Cooperation manages public funds and promotes investment and financing activities in emerging markets and developing countries. CDP is also a founding member and manages the General Secretariat of D20 Long-Term Investors Club (D20-LTIC). The Club's membership comprises the leading financial institutions with a public mandate from the world's largest economies acting as long-term investors.

By joining LTIIA, CDP illustrates the role of our Association as a bridge between the private and public sectors, in order to promote the role of long-term finance in driving economic development and sustainable growth around the world.

LTIIA participation in Industry events:

Despite the post COVID crisis gradual return to normal, the events which we took part in over the last months were still mostly in a digital format:

- **Joint OECD-FICS-AFD seminar on SDG-Alignment of Finance and Investment** (5 April)
- **Global Adaptation & Resilience Investment (GARI)** working group meeting (13 April)
- **D20-LTIC Sherpa Committee meeting with Global Infrastructure Facility** (GIF- 21

April)

- **G20/OECD Task Force on Long-Term Investments** (April 28-29)
- **Technical Working Group (TWG) for the G20/GI Hub Framework** on how best to leverage the private sector to scale up sustainable infrastructure investment (3 May)
- **Présentation of LTIIA to Commission Economique & Financière of Institut pour la Gestion Deleegue (IGD) / CEF-O-PPP** (Paris- May 12)
- **Participation in consultation by Syntec working group** on Engineering services to investment funds (19May)
- **GIF Advisory Council Meeting** (May25)
- **Global Infrastructure Hub Stakeholder discussion** (June 6)
- **ELTI CEO+Sherpa meeting** (Dublin -June 9)

Building on the strategic partnership signed earlier this year with WAPPP, LTIIA sponsored and organized 2 dedicated sessions of the WAPPP annual congress this year:

- **WAPPP Annual congress-Session on Resilient PPPs** (June 13)

The banner features a teal background with white and orange text. At the top left is the WAPPP logo. The main title is 'THE PPP EVENT OF THE YEAR' in orange, followed by 'WAPPP ANNUAL CONGRESS 2022' in white. Below this, the session title 'Readiness to promote Climate Resilient PPPs' is displayed in white. The date and time '13 June, 2022 15:30pm CET' are shown in orange, along with the website 'wapp.org/congress2022'. Five speakers are listed with their photos and names: Moderator Francois Bergere (LTIIA), Speaker Salim Bensmail (Meridiam), Speaker Muneer Ferozie (IFC), Speaker Mahesh Harhare (WRI India), and Speaker Jennifer Möller-Culland (Water Security Collective). At the bottom, logos for event sponsors (ansarada, ISR) and session sponsors (GIF, IFC, Meridiam, Water Risk) are displayed.

- **WAPPP Annual congress-Session on Green Mobility** (June 16)



Also, LTIIA re-engaged in organizing its own high-level private forums on a regional basis, starting with Scandinavia with the support of our local members Skandia & Infranode, in June:

- **LTIIA Nordic Private Infrastructure Forum (Stockholm June 16)**





- **Consultation/IIGCC investor framework on adaptation & resilience** (June 24)
- **LTIIA soiree event** (Paris- July 5), the first of a series of similar informal socializing events we plan to hold in locations where we have a critical mass in members liable to participate. The event is hosted by a member who may use this opportunity to briefly present their own activities/recent achievements; LTIIA then proceeds to give a quick overview of our current work priorities and milestones, before we give the floor to an external speaker (Academic or Government representative) to further set the scene for discussion between members.

Marketplace initiatives:

LTIIA is participating in methodological working groups, set up with the intent to provide feedback from players, table proposals and participate in consultations with public decision-makers at regional or global levels.

- ***FAST-Infra*** : *LTIIA part of the Paris-EUROPLACE plan to host the FAST-Infra group, in charge of supervising & developing e the Sustainable infra label, data repository and Platform*



As previously mentioned, LTIIA has been actively involved since the beginning in the FAST-infra (“Finance to Accelerate the Sustainable Transition- Infrastructure”) initiative. It is now part of the Paris-based, Europlace-led consortium scheduled to set up, host and support of the future FAST-Infra group holding structure in Paris - with the help of a dedicated Secretariat managing the Sustainability label- in charge of both developing the Label and the platform (data-sharing & confidentiality management system). This scheme, supported by the Singaporean MAS is now to be operationalized and launched for the COP27 in November

LTIIA working themes:

-Role of shocks and extreme risk measures in relation to the performance of unlisted infrastructure equity investments (study commissioned to EDHEC-Infra).



This study is now finalized and to be disseminated through a joint LTIIA-EDHEC Infra webinar on July 11th. The report emphasizes the good resilience of equity investments in unlisted infra in the wake of the COVID crisis and other economic and financial policy shocks (such as an interest

rate-shock, taken as a proxy for an Inflation shock). Infrastructure is good for the portfolio (provided you have diversified infra assets), thus supporting the emerging asset class status. The results should also serve to feed into the debate for upcoming adjustment to the regulatory framework in the EU and elsewhere. Interested members are invited to contact LTIIA secretariat to discuss a specific communication plan per jurisdiction.

Calendar : Joint LTIIA-EDHEC Infra Webinar & Paper publication : July 11th, 2022

Internal Governance: LTIIA Board meeting- April 26th,2022

- LTIIA held a Board meeting on April 26th: beyond the latest activity updates, the Board members discussed linking with the EU institutions , in particular the European Parliament to convey our feedback on the EU taxonomy, and Board membership anticipated changes...

Next board meeting is scheduled for September 13th, 2022. The Annual general Meeting will be held , as in previous years, on the occasion of Paris Infraweek inaugural international Infra Forum, at the Paris-Bercy Center for international conferences, on October 3rd.

News from our members & partners:

- **GIH (Global Infra Hub):**



GIH published *Blended finance: A game changer for sustainable infrastructure*

An in-depth analysis, by GI Hub's chief executive officer and strategic adviser detailing the merits of blended finance and offering solutions to overcome existing barriers in order to realise this financial instrument's potential (in Infrastructure Investor, July-August 2022)

<https://www.gihub.org/>

➤ **Infranode**



Infranode, together with Hafslund Eco and HitecVision acquired Fortum Oslo Varme. The company is the largest supplier of district heating in Norway and supplies heat to more than 200,000 people in Oslo. The agreement secured financing for the carbon capture (CCS) project at Klemetsrud - Oslo's largest emission point and accounting for around 17 percent of the city's total emissions.

➤ **STOA**



STOA impact fund led leading a USD 80 million capital round, alongside Proparco, and Swedfund, in Serengeti Energy, an independent power producer active in the sub-Saharan region and specialised in small-scale hydroelectric projects. Through this commitment, STOA supports the production of renewable energy and contributes to improving access to electricity in sub-Saharan Africa, a region where power generation infrastructure and the capital to finance it are still lacking.

➤ **Eurazeo**



Global investment Eurazeo has led a €160m fundraising round by Electra, a French company specialising in fast charging for electric vehicles (EV). This will fund deployment of 1,000 ultra-fast electric vehicle stations across France by 2030 by Electra.

➤ **Meridiam**



UNCDF and Meridiam join forces in support of the International Municipal Investment Fund initiative. This innovative investment vehicle with a focus on developing countries, is part of The Urban Resilience Fund(TURF) launched by Meridiam together with The Rockefeller Foundation. It will help develop, finance, build and operate sustainable and economically sound urban infrastructure projects intending to play a critical role adapting and mitigating climate change in cities.

IMIF is a blended finance fund, leveraging concessional and commercial capital to increase the financing capacity available for new urban infrastructure projects. It provides cities with unique support for the development and delivery of essential urban resilience infrastructure.

See: <https://meridiam.com/news/>

➤ **Infravia**



Infravia entered in a Partnership with eir, Ireland's leading telecom operator to upgrade its broadband network to become the first nationwide fibre-to-the-home ("FTTH") infrastructure. InfraVia is investing alongside eir in Fibre Networks Ireland - a dedicated fibre company focused on the deployment of FTTH in Ireland. FNI targets to reach 2.0 million homes passed by 2027.

See: <https://infraviacapital.com/>

NB: other members wishing to see some of their recent developments reflected here, or on our website, should contact LTIIA : please select key announcements, with 1 short presentation sentence + a link
