

# NIGERIA INFRASTRUCTURE DEBT FUND

A CHAPEL HILL DENHAM FUND

## African Development Bank to Invest US\$10 million in Chapel Hill Denham Nigeria Infrastructure Debt Fund

Lagos, 17 October 2018

The African Development Bank (“AfDB”), Africa’s premier development financial institution, yesterday announced that its Board of Directors has approved an investment of the Naira equivalent of USD10 million in the Chapel Hill Denham Nigeria Infrastructure Debt Fund (“NIDF” or the “Fund”).

The decision by the AfDB to invest in NIDF is a culmination of a detailed due diligence and review process undertaken by a multi-disciplinary team of AfDB experts over the past few months. AfDB’s participation in NIDF will facilitate further enhancement of the Fund’s governance structure and management, particularly in respect of the environmental and social framework, which will be fully integrated within the overall project evaluation and portfolio management processes of the Fund.

Commenting on the development, **Bolaji Balogun**, Chief Investment Officer of the NIDF and Chief Executive Officer of Chapel Hill Denham, said, “The decision by AfDB to support NIDF demonstrates the key role that NIDF is playing in unlocking domestic capital resources to finance the vast investment and financing needs for infrastructure in Nigeria. We hope that AfDB’s participation in NIDF will provide further encouragement to pension funds and other institutional investors in Nigeria to channel a greater proportion of their investment allocations to infrastructure, through a safe, strong and proven channel such as NIDF.”

**Anshul Rai**, the Chief Executive Officer of NIDF, added, “Since its inception in June 2017, NIDF has established a solid track record of performance and delivering strong, predictable returns to our unitholders. In a short period, the NIDF has emerged as the preferred financing partner of project sponsors and operators who seek to finance critical infrastructure in a sustainable way. At NIDF, we believe that financial returns are as important as the development impact (non-financial returns). With the help of AfDB’s expertise, NIDF is able to incorporate the best practices on Environmental, Social and Governance matters in its operations.”

**Philip Southwell**, the Chairman of NIDF Investment Committee, said, “Mobilisation of domestic savings using capital markets is imperative to meeting the infrastructure deficit in Africa. The ability of these markets to provide long-term financing denominated in local currency must be fully exploited, in order to address the two fundamental risks that infrastructure projects face: currency and tenor. The initial success of NIDF demonstrates its positive impact and the listed, local currency infrastructure debt fund model is both scalable and replicable across multiple markets. With AfDB’s support, it should be possible to bring these benefits to a number of other markets across Africa.”

**Mr. A. Olawale Edun**, Chairman, Chapel Hill Denham, expressed his satisfaction on the development: “Through NIDF, Nigeria has delivered an innovative solution for the infrastructure challenge shared by many countries across Africa. We thank AfDB for their support and recognition of the hard work put in by the NIDF team to make it a reality.”

### About NIDF:

The Chapel Hill Denham Nigeria Infrastructure Debt Fund (“NIDF” or the “Fund”) is the first and only infrastructure debt fund dedicated to and domiciled in Nigeria. The Fund is an Infrastructure Fund under the relevant rules and regulations of the Securities & Exchange Commission (“SEC”), Nigeria and the National Pension Commission, Nigeria. The Fund’s Units are listed on the FMDQ OTC Securities Exchange, Nigeria. The NIDF has registered a programme for issuance of up to two billion Units with par value of N200 billion.

NIDF is sponsored by Chapel Hill Denham and Chapel Hill Denham Management Limited acts as the Fund Manager of NIDF.