

Sector Snapshot: Infrastructure



Total value of PE Infrastructure deals in Africa, 2012-2015

US\$9.4bn

% share of number and value of PE Infrastructure deals in Africa, by region, 2012-2015



Region	% share of PE Infrastructure deals, 2012-2015	% share of PE Infrastructure deal value, 2012-2015
West Africa	25%	30%
South Africa	24%	6%
East Africa	13%	2%
North Africa	12%	3%
Central Africa	4%	2%
Southern Africa (excluding South Africa)	4%	1%
Multi-region*	18%	56%

* Multi-region deals have a footprint centered on a number of regions and are not exclusive to one particular region within Africa

Number of reported PE Infrastructure deals in Africa, 2012-2015

56



Infrastructure Growth Drivers

Private Equity (PE) firms are increasingly turning their attention to the investment opportunities available in infrastructure in Africa. The continent's relatively high economic growth in recent years, along with an increasing population and rapid urbanisation, have put pressure on existing infrastructure and created significant demand across Africa for public and private investment in sectors like energy, transport, utilities, and telecoms. According to World Bank estimates, US\$93bn may be required annually to 2020 to close the continent's infrastructure gap, and PE is well-placed to work alongside governments and other types of investors to provide capital and expertise to help develop the continent's infrastructure assets.



Utilities



Telecommunications



Energy



Transportation

Private Equity Infrastructure Deals

Between 2012 and 2015, West and South Africa attracted 49% of the total number of PE infrastructure deals, while multi-region deals accounted for the greatest share of deal value (56%). PE investments in infrastructure projects in Africa include AE AMD Renewable Energy (Metier & other investors, 2013), Endeavor Energy (Denham Capital, 2013), Helios Towers Africa (Helios Investment Partners & other investors, 2014), IHS Towers (Emerging Capital Partners & other investors, 2014), Lekela Power (Actis & other investors, 2015), Renewables Cookhouse Wind Farm 1 (African Infrastructure Investment Managers & other investors, 2012).

Sector Snapshot: Infrastructure

Total value of Africa PE fundraising,
2012-2015

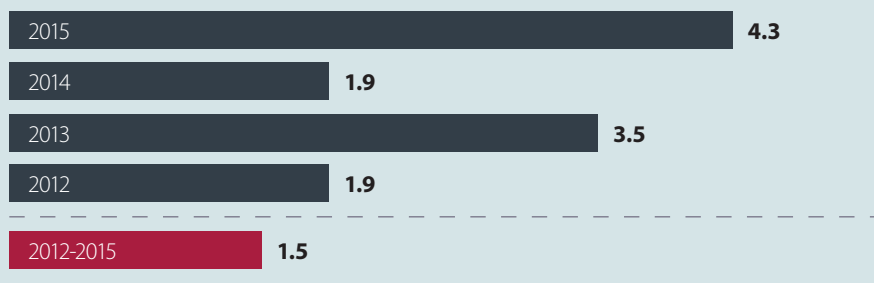
US\$11.6_{bn}

Private Equity Infrastructure Funds

GPs invest in infrastructure projects in Africa from both PE infrastructure-specific and generalist funds. Overall, 13% of the total value of Africa PE fundraising between 2012 and 2015 came from funds that were exclusively focused on infrastructure. PE infrastructure funds raised over the last four years for Africa include Actis Energy 3 (Actis, Emerging Markets), Africa Renewable Energy Fund (Berkeley Energy, Sub-Saharan Africa), Apollo Investment Partnership II (African Infrastructure Investment Managers, South Africa), Convergence Partners Communication Infrastructure Fund (Convergence Partners, Pan-African), Lereko Metier Sustainable Capital Fund (Metier, Sub-Saharan Africa).

Total value of Africa PE fundraising, US\$bn

■ All PE funds, including Infrastructure
■ Infrastructure funds



Selection of PE Infrastructure-focused funds currently fundraising for Africa



Focus: West Africa
Fund: ARM-Harith Infrastructure Fund
Fund manager: ARM-Harith Infrastructure Investment Ltd
Targeted Close: US\$250mn



Focus: Sub-Saharan Africa
Fund: Africa Infra Plus Fund
Fund manager: Eaglestone Asset Management
Targeted Close: US\$150mn



Focus: Sub-Saharan Africa
Fund: Pembani Remgro Infrastructure Fund
Fund manager: Pembani Remgro Infrastructure Managers
Targeted Close: US\$500mn

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About AVCA

AVCA: Enabling private investment in Africa

The African Private Equity and Venture Capital Association is the pan-African industry body which promotes and enables private investment in Africa.

AVCA plays an important role as a champion and effective change agent for the industry, educating, equipping and connecting members and stakeholders with independent industry research, best practice training programmes and exceptional networking opportunities.

With a global and growing member base, AVCA members span private equity and venture capital firms, institutional investors, foundations and endowments, pension funds, international development finance institutions, professional service firms, academia, and other associations.

This diverse membership is united by a common purpose: to be part of the Africa growth story.