



Best Infrastructure Debt Manager Natixis Investment Managers

Green infrastructure debt deals in Asia are growing fast as governments in the region introduce policies to make their energy supplies more sustainable.

Awarded for a combination of sourcing capability, execution expertise and a highly experienced risk diligence team, that has seen Natixis Investment Managers signing a number of infrastructure debt mandates with Asian insurers.

With most deals being sourced and executed by local banks, the ability of an international asset manager such as Natixis IM to successfully operate in this market depends quite crucially on key relationships within the wider group.

Natixis IM has developed two deal flow channels, firstly through Natixis CIB, the global investment bank doing \$7.8 billion worth of loans globally. Operating in Asia since 1982, when it set up a branch in Singapore, it now has operations in every major Asian economy.

The second channel is direct sourcing, which requires a strong local presence and direct knowledge of each of the target Asian infrastructure markets.

“We talk to the investment bank on a daily basis about both the pipeline and about deals in the execution phase,” said Angus Davidson, managing director of APAC Infrastructure at Natixis IM. “That kind of information flow is a real advantage in this market.”

Natixis IM has ramped up its APAC infrastructure debt team to source, structure and execute deals. The team can offer fixed-rate tranches and can also tailor prices for clients. Rather than being a price taker, as a direct lender Natixis IM is in a stronger position to negotiate pricing.

Underpinning Natixis IM’s infrastructure debt offering in Asia is its independent risk function, headed by Pascal Leccia. Although he works in collaboration with the APAC infrastructure debt team, Leccia’s role is to probe and challenge the quality of deals in the pipeline and those being executed. He is involved from the outset, prompting additional due diligence work and reviewing existing due diligence.

As an example of collaboration between Natixis IM and Natixis CIB, Natixis IM recently completed a telecoms deal in Malaysia. The investment bank originated the deal and structured a fixed tranche, which is ideal for some insurer investors who want to be able to match long-term liabilities.

Green infrastructure debt deals in Asia are growing fast as governments in the region introduce policies to make their energy supplies more sustainable. Direct lending activity is also accelerating. Deals include participating in the A\$610m refinancing of a 317MW wind farm in South Australia. And in late 2022, Natixis IM, together with Fubon Bank Hong Kong, provided a 10.5-year, \$50 million debt facility to finance rooftop solar photovoltaic projects for corporate, industrial and public buildings in Hong Kong.

The loan was secured against one of the largest rooftop solar portfolios in Hong Kong, with over 100 existing rooftop solar PV projects, approximately 20MW of capacity, and plans for significant further expansion.



Angus Davidson, managing director of APAC Infrastructure