

Press release

With STOA, CDC and AFD reassert France' commitment to financing sustainable infrastructure internationally

Paris, the 21st of June 2023

As the Summit for a new global financing pact opens in Paris, Caisse des dépôts (CDC) and Agence française de développement (AFD) reassert their support to STOA, an impact fund financing sustainable and resilient infrastructures.

As the Summit reminds us, the private sector's commitment to sustainable infrastructure is key to achieving the Sustainable Development Goals (SDGs). On the African continent alone, infrastructure investment needs are estimated at between 130 and 170 billion dollars per year. However, the effective annual investment averages only 75 billion dollars, leaving a significant financing gap estimated at between 55 and 95 billion dollars.

STOA, investing in sustainable infrastructure projects

As part of France's support for private investment in sustainable infrastructure in emerging and developing countries, STOA, created in 2017 and funded with €600 million by Caisse des Dépôts (CDC) and Agence Française de Développement (AFD), has completed its first round of investments with promising results.

Just over 5 years after STOA's creation, CDC and AFD intend to increase its capital by €300 million to enable STOA to invest in new projects alongside notably French investors and industrial players. STOA will remain strongly focused on the key sectors of energy, transport, and telecommunications, and on emerging countries, especially in Africa.

STOA's ambition to invest in projects with a climate and adaptation co-benefit will be brought to at least 75% of its investments (with a 65% minimum).

STOA, an expert partner in infrastructure projects since 2017

From the Nachtigal hydroelectric dam in Cameroon, to solar energy in South Africa, a wind farm in the Dominican Republic, the São Paulo Metro Line 6, or specialized clinics in Morocco, STOA has demonstrated its ability to fulfill its mandate by closing 15 equity investments, 54% of them in Africa. These investments have been made mainly in the renewable energy sector, but also in transport and telecommunications, with a significant impact in supporting the Sustainable Development Goals (SDGs) defined by the UN.

STOA's involvement in a project generates additional impact through significant leverage effect: the total invested amount in amongst its project portfolio exceeds €6 billion, or fourteen times the amount invested by STOA, thanks to the involvement of other equity investors as well as debt financing.

A clear ambition for STOA: to carry on working for the benefit of future generations

In terms of climate impact and the SDGs, STOA's investments have already generated significant results, with the following forecasts on completion of the portfolio projects under construction:

- An installed capacity of 1772 MW of renewable energy by the end of 2024;
- An annual reduction of 3.1 million tons of CO₂ by the end of 2024;
- Connecting 435,000 homes to the fiber optic network by the end of 2022;
- Daily transport of 600,000 people by 2025.

According to STOA's last impact report, 78% of the projects financed by the fund are contributing to mitigate climate change effects.

CDC and AFD additional contribution should enable STOA to raise €12 billion of investments by 2028 and to double its key impact goals: 4000 MW of renewable energy installed capacity, 6 million tons of avoided CO₂ per year and access to essential services for more than 50 million people.

Eric Lombard, CEO of Caisse des dépôts (CDC): *"AFD and CDC are pursuing their partnership by giving new investment resources to STOA. We are proud of CDC's contribution to the development of sustainable infrastructure to support ecological transformation, and to the international development of French groups."*

Remy Rioux, CEO of Agence française de développement (AFD): *"The Summit for a new global financing pact reminds us that we need to invest massively in high-quality, inclusive and resilient infrastructure that meets the urgent and long-term needs of people and the planet, in order to achieve the SDGs. This massive investment requires mobilizing the joint forces of public development banks and private investors: STOA's action, which we are proud to support with CDC, is a powerful illustration of the commitment of public and private investors to support infrastructure with a high economic, social and climate impact, in both Northern and Southern countries".*

Marie-Laure Mazaud, CEO of STOA: *"We are truly honored by the confidence demonstrated by CDC and AFD. The commitment of all STOA's teams and the links forged over the years with local players have enabled us to successfully complete many projects in Africa, Latin America, or South-East Asia, and to become the leading infra-impact investor. We are committed to further building the economies of tomorrow through sustainable and resilient projects in renewable energies, telecommunications or healthcare, always within the framework of the SDGs and in the service of future generations."*



About Agence française de développement

Agence française de développement (AFD) implements France's policy in the areas of development and international solidarity. Through its public sector and NGO financing activities, its research and publications (Editions AFD), its trainings in sustainable development (Campus AFD) and its awareness-raising activities in France, it funds, supports and accelerates the transitions to a fairer and more sustainable world. We work with our partners to build shared solutions with and for people in developing countries. Focusing on climate, biodiversity, peace, education, urban development, health and governance, our teams carry out more than 4,000 projects in France's overseas departments and territories and another 115 countries. In this way, we contribute to the commitment of France and French people to support the sustainable development goals (SDGs), for a World in Common.

More information: www.afd.fr

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About Caisse des Dépôts

Caisse des Dépôts and its subsidiaries represent a major public financial institution, a long-term investor dedicated to serving the public interest and its primary aim the economic development of French regions.

It combines five areas of expertise: social policies (retirement, professional training, disability, old age, and health), asset management, monitoring of subsidiaries and holdings, corporate financing (with Bpifrance) and the Banque des Territoires.

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About STOA

Launched in 2017 by Caisse des Dépôts and Agence Française de Développement, STOA is a leading impact investor in infrastructure and energy.

Our purpose: financing and supporting the development of sustainable and resilient infrastructure for future generations in Africa, Latin America, and Asia.

More information: www.stoainfraenergy.com

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