

# TXF ECA-backed Deals of the Year results 2020

*With numerous deals submitted for the TXF Export Finance ECA-backed Perfect 10 and heavy voting through Tagmydeals.com, the shortlist provided some excellent deals and ultimately there were some hard choices to be made. The overall list of winners is indicative of a very impressive performance from the export finance global community for deals signed in 2020.*



**Jonathan Bell**

Editor-in-chief & Director  
21 April 2021

The TXF ECA-Backed Export Finance Deals of the Year are highly prized awards because they are voted for by the market and because we only award 10 deals – hence the Perfect 10. All the deals awarded were for transactions signed in 2020. Many congratulations to all the winners.

These results were first announced in a Deal of the Year virtual awards ceremony following the TXF Industry Choice awards on 14 April. For those that missed it or if you would like to watch the ceremony back, you can do so [here](#) on our industry-leading platform, Kujenga, you will just need to register and the Export Finance Deals of the Year play at the end of the session.

The winning deals were all pretty big volume transactions and with plenty of green credentials. And while we hope to see winning deals from all regions, we do not make this a requirement. This year, there was a large number of significant landmark deals located on the African continent and consequently the results reflect this – with four African deals winning awards.

To explain a little of the background to the TXF Deals of the Year for those unfamiliar with the process – many institutions submit their transactions throughout the course of the year to Tagmydeals.com (Tag), the TXF deal database. Come the end of the calendar year, we always also call for Deals of the Year submissions, and institutions that have not submitted deals already to Tag can do so. We also ask for institutions to notify the editorial team of deals which they may consider to be landmark submissions, with detail of what makes the deal special from their perspective.

We usually close the submission process at the end of January so that institutions have time to submit deals which may have closed very late in the year. From late January industry personnel are then able to vote for specific deals on the tagmydeals.com website. In mid-March voting closes.

The top 15-20 deals with the highest number of votes are put into a shortlist and the senior editorial team assesses each deal for stand-out qualities, what makes them significant, landmark, unique etc. In this instance, information provided by the submitting institution can be extremely valuable in our assessment – which is why we have always asked institutions to write a decent paragraph about the qualities of deals submitted. So, the final 10 winners are the result of a combination of voting and overall assessment.

Below is the final list of winners indicating category and title of the deal.

**OVERALL ECA-BACKED DEAL OF THE YEAR**

**Viking Interconnector Green Loans - \$743 million ECA-backed**

**TRANSPORT ECA-BACKED DEAL OF THE YEAR**

**Cairo Monorails - \$2.57 billion ECA-backed project**

**RENEWABLES ECA-BACKED DEAL OF THE YEAR**

**Dogger Bank Offshore Wind Farms £5.5 billion ECA-backed**

**ENERGY FINANCING ECA-BACKED DEAL OF THE YEAR**

**Mozambique LNG \$14.9 billion ECA-backed project**

**SHIPPING ECA-BACKED DEAL OF THE YEAR**

**Hapag-Lloyd \$417 million ECA-backed green loan financing**

**ECA/DFI-BACKED DEAL OF THE YEAR**

**Angola Solar ECA/DFI-backed \$759m solar power project**

**SUB-SAHARAN AFRICAN ECA-BACKED DEAL OF THE YEAR**

**Gvt of Tanzania/Standard Gauge Railway \$1.64 billion ECA-backed**

**ASIAN ECA-BACKED DEAL OF THE YEAR**

**Changfang and Xidao (CFXD) \$3 billion ECA-backed offshore wind project**

**EUROPEAN ECA-BACKED DEAL OF THE YEAR**

**Northvolt ETT \$1.6 billion ECA/DFI backed project financing**

**MIDDLE EAST ECA-BACKED DEAL OF THE YEAR**

**ECA-backed \$258 million green loan for MAN/Evo buses to Saudi Arabia**

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## Deal details

Deal boxes and some notes on each deal are found below:

**OVERALL ECA-BACKED DEAL OF THE YEAR**

**Viking Interconnector Green Loans - \$743 million ECA-backed**

Borrower: National Grid North America Inc (UK)

Amount: \$743 million

Overall project cost: €2 billion

Tenor: 9.25 years door-to-door

ECAs: Euler Hermes, SACE

Interest rate hedge coordinator: SIMEST

MLAs: BNPP, HSBC, National Westminster Bank

Sponsors: National Grid, Energinet

EPC contractors: Siemens Energy, Prysmian

Legal advisor for lenders: Clifford Chance

Legal advisor for sponsor: Linklaters

This deal has the biggest number of votes on Tag by a long way!

The deal is a multi-export credit agency-covered green loan, guaranteed by Italy's SACE with SIMEST CIRR support and Germany's Euler Hermes, to help finance a €2 billion subsea electricity cable project between UK and Denmark named Viking Link.

The \$743 million ECA-backed financing package, made up of \$488 million from SACE and \$255 million from Euler Hermes, was structured under National Grid's Green Financing Framework. It represents the first time multiple ECAs have come together to finance a green project of this size. This was also National Grid's debut green loan.

### **TRANSPORT ECA-BACKED DEAL OF THE YEAR** **Cairo Monorails - \$2.57 billion ECA-backed project**

Borrower: National Authority for Tunnels (Egypt)

Amount: \$2.3 billion (€1.88 billion)

Tenor: 14 years

ECAs: UKEF (lead ECA), SACE, CESCE

MLAs: Caixa Bank, Credit Agricole, KfW IPEX-Bank, JP Morgan, Societe Generale, National Westminster Bank

Lenders: Credit Suisse, UBS

Legal advisor: Ashurst (lenders); White & Case (borrower)

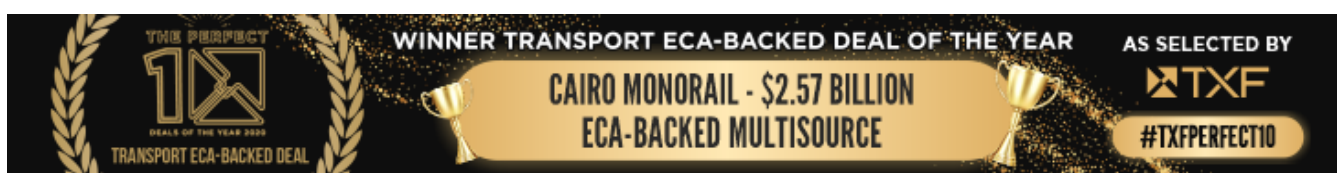
Exporters/Contractors: Bombardier Transportation UK, Orascom Construction and Arab Contractors

Use of proceeds: Monorail project EPC

In December 2020, UK Export Finance (UKEF) provided £1.7 billion in backing to help build two new monorails in Egypt. UKEF's support takes the form of a buyer credit guarantee to a loan of €1.88 billion (including financed ECA premium) for the contract size of €2.7 billion supplied by Bombardier Transportation UK. This is an important strategic project for Egypt.

This guarantee will allow an unconsolidated consortium comprising Bombardier Transportation UK, Bombardier Egypt, Orascom Construction and Arab Contractors to build the new infrastructure which forms part of Egypt's plans to build a sustainable transportation infrastructure that can cope with its growing population while reducing climate change impacts. Each of the lines will have a capacity of 20,000 passengers per hour, reducing the number of cars on the roads of one of the Africa's most congested cities Without UKEF's ECA financing, this project would not have gone ahead.

This was a complicated contract in which UKEF was the lead ECA. The single EPC contract was split between different scopes of work for each consortium member who therefore have procurement plans pertinent to their individual scope and local content restrictions. UKEF therefore sought ECA support from SACE and CESCE to provide reinsurance which has been important in providing the amount of support required to finance the project.



## **RENEWABLES ECA-BACKED DEAL OF THE YEAR**

### **Dogger Bank Offshore Wind Farms £5.5 billion ECA-backed project**

Borrowers: Doggerbank Offshore Wind Farm Project 1 & 2 Projco Ltd

Amount: £5.5 billion (\$7.6 billion)

Overall project cost: £6 billion for first 2 phases

Tenor: 18.6 years and 19.6 years

ECAs: Bpifrance, EKN, GIEK,

MLAs: BNPP, BNPP Fortis, Barclays Bank, Credit Agricole, Lloyds Bank, Santander, SMBC, MUFG, Eksport Kreditt Norway

Commercial loan MLAs: Societe Generale, Lloyds Bank, OCBC, Rabobank, Shinsei Bank, CACIB, Standard Chartered, Bank of China, Santander, SMBC, ING Bank, Natixis, CIBC, CIC, Danske Bank, ICBC, National Westminster Bank, CaixaBank, SEB, ABN Amro, AIB, Korea Development Bank, Mizuho BBVA

Sponsors: Equinor, SSE Renewables, ENI

Major contractors: Aibel, OHT, General Electric, Jan de Nul, ABB, NKT, DEME, Saipem, Jones Brothers, Sif & Smulders, Hitachi Power Grids, Alfa Group

Legal advisor – lenders: Norton Rose Fulbright

Legal advisor – borrowers: Linklaters

With a capacity of 3.6GW, Dogger Bank will be the largest offshore wind farm in the world when operational. With the strong interests from lenders, Dogger Bank A and B were able to secure competitive terms, despite unprecedented economic circumstances arising from the global coronavirus pandemic. The level of interest achieved reflects the high quality of the project and enables strong returns on shareholder capital to be delivered.

The three projects will be capable together of powering 6 million homes each year when complete in 2026. It is the first project worldwide to feature the GE 13MW Haliade-X turbines, which will be the most powerful offshore wind turbine. Offshore wind farm financings involving ECAs are relatively limited in Europe and as such the Dogger Bank transaction represents a landmark project for the export finance community. In addition, the financing attracted 29 international banks. These offshore wind farms promise to power a surge in clean electricity, which is a central part of the UK government's plan to make the UK carbon neutral by 2050.



## **ENERGY FINANCING ECA-BACKED DEAL OF THE YEAR**

### **Mozambique LNG \$14.9 billion ECA-backed project**

Borrower: Moz LNG1 Financing Company Ltd

Amount: \$14.9 billion

Tenor: 18 years

ECAs direct lenders: JBIC (3bn), US Exim (\$4.7bn), Thai Eximbank (\$150m), UKEF (\$300m)

ECAs as guarantors: NEXI, UKEF, ECIC, SACE, Atradius

NEXI covered loan MLAs: Mizuho, SMBC, Standard Chartered, MUFG

UKEF covered loan MLA: Standard Chartered

ECIC covered loan MLAs: Standard Bank, ABSA

SACE covered loan MLAs: Casa Depositi e Prestiti, SMBC, MUFG, Societe Generale  
Atradius covered loan MLAs: Mizuho, Standard Chartered, SMBC, Societe Generale  
DFI direct loan: African Development Bank (\$300m)  
Commercial loan (\$1.26bn) MLAs: MUFG, Standard Chartered, Mizuho, ICBC, Societe Generale, SMBC, ABSA, IDC  
Commercial loan lenders: Afreximbank, Standard Bank, DBSA  
Commercial loan tenor: 16 years  
Financial adviser (exclusive): Societe Generale  
Sponsors: Total, ONGC Videsh, Bharat PetroResources, ENH Rovuma Area, Mitsui E&P, Beas Rovuma Energy Mozambique, PTTEP  
Technical: Lummus Technology  
Supplier: DeGolyer and MacNaughton, Poten & Partners

The Mozambique LNG Area 1 Project, with estimated capital expenditure of around \$23bn, is Africa's single largest foreign direct investment to date. The project raised \$14.9bn of debt financing, an unprecedented quantum for both Mozambique and Africa as well as being amongst the top three largest project finance deals the oil and gas market has seen in the last decade. With \$13.6bn of ECA loans the project is the biggest ever African ECA financing and marks the return of US Exim in project finance after an absence of nearly four years; the tenor of this debt was negotiated for a remarkable eighteen (18) years door-to-door.

The initial financing amounts to \$14.9 bn, the largest by some stretch in Africa, and includes direct and covered loans from 8 ECAs, 19 commercial banks, and a loan from the African Development Bank. The ECAs participating provided the cornerstone for the transaction.

The project is set to transform the economy of Mozambique and confer significant benefits on the wider southern African region. The project will also have a significant role in the global energy transition and be a catalyst for upcoming change in the global fuel mix with declining coal and oil sources. With targeted LNG export countries largely based in Asia (China and India in particular) some of the volumes sold by the Mozambique LNG project will be used in power generation to replace coal and oil which will lower carbon emissions globally. The entry of Mozambique will provide much needed diversity of supply and competitive pricing to global markets. This large resource will serve as a long-term reliable supply source.

## **SHIPPING ECA-BACKED DEAL OF THE YEAR**

### **Hapag-Lloyd \$417 million ECA-backed green loan financing**

Borrower: Hapag-Lloyd AG

Amount: \$417 million

Tenor: 12 years

ECAs: K-Sure

MLAs: BNP Paribas, KfW IPEX-Bank, Bank of America, Citi, Credit Agricole, DekaBank, Deutsche Bank, HSBC, ING Bank, SMBC, Societe Generale

Purpose: Construction and purchase of three ultra-large LNG/dual fuel enabled container vessels

Exporter: Daewoo Shipbuilding & Marine Engineering

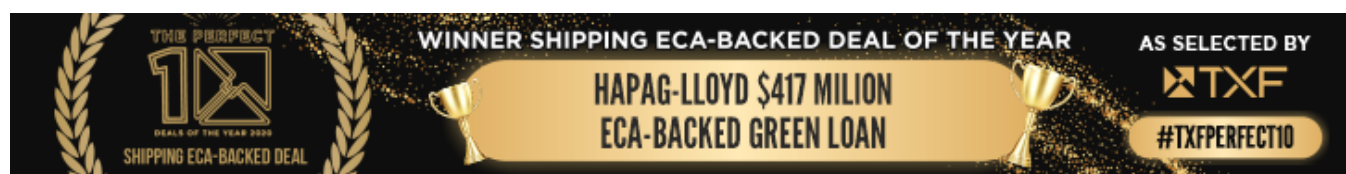
Legal counsel: Watson, Farley & Williams (for lenders); Hogan Lovells; Ince & Co (both for borrower)

In December 2020, Hapag-Lloyd and eleven of its core relationship banks with KfW-IPEX Bank and BNP Paribas (BNPP) in the lead, signed a syndicated \$417 million K-sure covered 12-year post-delivery Green

Loan, for the purpose of financing three ultra-large container vessels to be built in South Korea and delivered in 2023. The vessels are part of a newbuild programme of six ultra-large LNG/dual fuel vessels. The newbuild order marks the company's first expansion of its owned fleet since the merger with UASC in 2017.

These 23,500 TEU state-of-the-art high-pressure dual fuel engine propelled vessels are deemed eligible assets within a Green Loan Framework. The transaction is a significant step forward in modernising Hapag-Lloyds fleet whilst further reducing its environmental footprint.

KfW-IPEX Bank and BNPP structured the transaction, leading a syndicate of lenders and acting jointly as global coordinators, initial MLAs, bookrunners and green loan arrangers. KfW-IPEX Bank also acts as documentation agent, facility agent and security agent whilst BNPP acts as ECA coordinator and ECA agent.



### **ECA/DFI-BACKED DEAL OF THE YEAR**

#### **Angola Solar ECA/DFI-backed \$759m solar power project**

Borrower: Ministry of Finance Angola

Amount: \$758.7 million

Tenor: 18 years

ECAs: EKN, SEK

EKN-covered tranche: \$664 million

Term loan: \$95 million

DFI: DBSA

MLA bank: ING Bank

Developer: Sun Africa

EPC contractor: M. Couto Alves

Exporters: Elof Hanssen International, Hitachi ABB Power Grids

Legal counsel (for lender): Clifford Chance

This deal had the second most votes on Tag after the Viking Interconnector transaction.

The Angola solar project portfolio consists of seven solar projects in Angola which were developed by Sun Africa and will be constructed by M. Couto Alves as EPC contractor with the Ministry of Energy and Water of Angola acting as Importer. The involvement and strong support of the Swedish agencies EKN and SEK in the financing of the solar projects stem from substantial deliveries coming from Hitachi ABB Power Grids and Elof Hansson International AB. The two largest solar projects serve to replace diesel generation on the national grid working with the hydropower dams while the five smaller projects are located in more remote areas. With a total installed capacity of 370MW by way of almost 1 million solar panels, this truly is a landmark sustainable transaction.

ING Bank signed a financing package of €640 million with the Ministry of Finance of Angola acting as borrower to provide full funding for the seven solar projects. ING acted as original lender and arranger in an EKN covered export credit facility agreement with an aggregated facility amount of €560 million and

repayment tenor of 18 years of which Swedish Export Credit Corporation (SEK) has taken assignment in capacity as lender.

Providing crucial development bank support for Angola, Development Bank of Southern Africa (DBSA) also came into the deal acting as lender and ING as arranger in a DFI direct loan of €80 million with a repayment tenor of 12 years, which complements the EKN-covered export financing.

### **SUB-SAHARAN AFRICAN ECA-BACKED DEAL OF THE YEAR**

#### **Gvt of Tanzania/Standard Gauge Railway \$1.64 billion ECA-backed**

Borrower: Government of Tanzania (Tanzania)

Amount: \$1.64 billion

Tenor: 14.5 years (EKF and EKN facilities), 15 years (DFI), 7 years (commercial)

ECAs: EKF, EKN, SEK

Reinsuring ECAs: CESCE, NEXI, OeKB, SACE, SERV

DFIs: Trade and Development Bank (TDB), Development Bank of Southern Africa (DBSA)

Sole global coordinating bank: Standard Chartered

MLAs: Standard Chartered, Commerzbank, Credit Agricole, AKA Export Finance Bank, KfW IPEX-Bank, Deutsche Bank, LBBW, BNPP, DZ Bank, Helaba, Societe Generale, DekaBank, Aviva Public Private Finance, BBVA, Nedbank, TDB, DBSA, Afreximbank, SEK

Legal advisors for lenders: Baker McKenzie; B&M Law; Gorissen Federspiel Advokatpartners; East Africa Law Chambers

Legal advisors for ECAs: Baker McKenzie; B&M Law

EPC contractor: Yapi Merkezi Insaat ve Sanayi (Turkey)

This is the largest infrastructure transaction (outside oil & gas) in sub-Saharan Africa in 2020 – with commercial tranche, DFI tranche and ECA-backed facilities. The deal has also been the largest syndicated transaction in sub-Saharan Africa outside the oil and gas sector. More importantly, the transaction has changed the accepted norms on how such deals are structured, how risks are managed effectively, and how to balance economic, social and environmental objectives.

This deal has significant implications for future infrastructure projects in Africa and beyond. With heavy oversubscription, it has emphasised that there is investor appetite for well-planned, well-executed projects that meet international standards and create demonstrable economic value to communities, whilst protecting community and conservation interests.



### **ASIAN ECA-BACKED DEAL OF THE YEAR**

#### **Changfang and Xidao (CFXD) \$3 billion ECA-backed offshore wind project**

Borrowers: Changfang Wind Power Co Ltd; Xidao Wind Power Co Ltd

Amount: \$2.7 billion

Tenor: 18 years

ECAs: Atradius, EKF, GIEK, K-Sure, NEXI, UKEF

DFI guarantor: KfW

MLA banks: ABN Amro, CACIB, CTBC, DBS Bank, Deutsche Bank, HSBC, E.SUN Commercial Bank, Entie Commercial Bank, JP Morgan Chase, KGI Bank, Mizuho, MUFG, Natixis, OCBC, Santander, Societe Generale, Standard Chartered, SMBC, Taiwan Life Insurance Co, Taipei Fubon Commercial Bank, Korea Development Bank, Transglobe Life Insurance Inc,

Financial advisers: MUFG, CTBC

Insurance adviser: Marsh

Sponsor: Copenhagen Infrastructure Partners (CIP)

Exporter: Vestas

Sponsor's legal counsel: White & Case; Baker McKenzie; Norton Rose Fulbright

Lender's legal counsel: Watson Farley & Williams; Lee & Li

Overall there are 10 tranches on this deal (full details can be found on Tagmydeals.com).

This is Copenhagen Infrastructure Partners' (CIP) first offshore wind project in Taiwan. The entry of Taiwan Life and Transglobe Life as minority owners makes CFXD the first offshore wind project in Taiwan with local life insurance companies as equity investor, unlocking new sources of financing for upcoming transactions.

This financing qualifies for green loan credentials because its proceeds are used for the construction of an offshore wind farm and it satisfies all 4 principles of the APLMA Green Loan Principles.

Once commercial operation starts, CFXD will provide clean energy to more than 600,000 households in Taiwan. The project will be financed through a combination of equity and senior loans from a consortium of 25 international and Taiwanese banks and financial institutions (including CIP, Taiwan Life Insurance and TransGlobe Life Insurance), as well as six export credit agencies - Atradius (Netherlands), EKF (Denmark), GIEK (Norway), K-Sure (South Korea), NEXI (Japan) and UKEF (UK).



## **EUROPEAN ECA-BACKED DEAL OF THE YEAR**

### **Northvolt ETT \$1.6 billion ECA/DFI backed project financing**

Borrower: Northvolt Ett

Amount: \$1.6 billion

Tenor: 7 years

ECAs: Euler Hermes, NEXI, Bpifrance, Kexim,

Euler Hermes (\$525m) covered tranche MLAs: BNPP, Swedbank, KfW-IPEX-Bank, UniCredit, Societe Generale, SMBC, Siemens Bank, PFA, SEB, Intesa Sanpaolo, ING Bank, APG, Danske Bank, Banca IMI  
NEXI (\$150m) covered tranche MLAs: BNPP, Swedbank, KfW-IPEX-Bank, UniCredit, Societe Generale, SMBC, Siemens Bank, PFA, SEB, Intesa Sanpaolo, ING Bank, APG, Danske Bank, Banca IMI

Bpifrance (\$75m) covered tranche lenders: KfW-IPEX-Bank, Danske Bank, UniCredit, Siemens Bank, SMBC, Intesa Sanpaolo, Swedbank

Kexim (\$456m) covered tranche MLAs: BNPP, Swedbank, KfW-IPEX-Bank, UniCredit, Societe Generale, SMBC, Siemens Bank, PFA, SEB, Intesa Sanpaolo, ING Bank, APG, Danske Bank, Banca IMI

DFIs direct loans: EIB (\$350m), NIB (\$44.3m)

Sponsor: Northvolt AB

Financial adviser: PricewaterhouseCoopers (PwC)



Financial advisors to sponsor: BNPP, Morgan Stanley

Legal advisor to sponsor: Mannheimer Swartling Advokatbyrå

Legal advisor to lenders: Latham & Watkins, Milbank, Wistrand Advokatbyrå, Cederquist

Technical bank: Societe Generale

Technical consultant: Arup

Industrials/Exporters: ABB, BMW, Scania, Siemens, Vattenfall, Vestas, VW Group, Axima Concept & France Evaporation, Tsukishima Kikai, Tanabe Ltd, Primix Corp, Hirano Tecseed

This deal had the fourth largest number of votes on Tagmydeals.com

This landmark transaction marks the first ever project financing to develop a greenfield li-ion battery manufacturing plant project. Strong project rationale: Northvolt's customers need large volumes of high-quality batteries with a low CO2 footprint, and Europe must build a fully regionalised value chain to support them. The project achieved strong support from relevant industrial partners and customers. The financing is underpinned by world-class financial institutions supporting a new industry in Europe which is a clear sign of where the markets are headed.

The transaction supports the European economy by i) allowing the European electric vehicles manufacturers to supply their batteries locally and ii) protecting a large number of qualified jobs in the European automotive industry in the face of increasing global competition.

This was a highly complex 'blended finance' transaction to structure given the complex supply chain, industrial innovation and offtake arrangements which required a high level of due diligence, strong commitment and cooperation between the large group of financial institutions involved, including the ECAs and the DFIs.

The transaction also demonstrates the willingness of ECAs and the financial sector in general to support innovative and sustainable projects strongly and positively influencing the energy and transportation landscape in Europe. In addition, ECAs were instrumental in the funding mix of the project, it is the first time ECAs are supporting this crucial emerging sector, and it is the first use of a Euler Hermes untied backed loan in support of the German automotive sector.



## **MIDDLE EAST ECA-BACKED DEAL OF THE YEAR**

### **ECA-backed \$258 million green loan for MAN/Evo buses to Saudi Arabia**

Borrower: Ministry of Finance Saudi Arabia

Amount: \$258 million

Tenor: 8 years

ECA: Euler Hermes

MLAs: Credit Agricole, HSBC

Sole structuring bank: Credit Agricole

Facility agent: HSBC

Exporters: MAN Truck & Bus SE; EvoBus GmbH

Legal counsel: Latham & Watkins; Linklaters

Signed: 19 July 2020

In July 2020 Credit Agricole CIB successfully structured the first green export credit agency loan for the Kingdom of Saudi Arabia, acting through the Ministry of Finance (KSA MoF), in respect of public transport equipment. This is a significant sustainable transaction in the Middle East region in support of the client's needs.

The financing is in respect of the supply of 842 buses by MAN Truck & Bus SE and EvoBus GmbH, a subsidiary of Daimler AG. The buses are for the new Riyadh public transport network, in the Kingdom of Saudi Arabia. They are expected to reduce the greenhouse gas emissions and air pollution and alleviate traffic congestion in the metropolitan Riyadh area through a shift towards public transportation. The ECA loan documentation confirms a commitment to report on positive environmental impacts in respect of an underlying green investment. The loan is compliant with the Green Loan Principles, published by the Loan Market Association.