



# Developing New Projects in Ghana, a contractor's perspective

# Introduction

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- **Background**
- **Ghana Borrowing Capacity**
- **Ghana Potential**
- **Ghana Financing Options**
- **Examples**

# We Challenge to Improve





## Our organisational values



We focus on people and relationships



We take ownership



We learn, adapt and grow



## Our focusthemes

In terms of **safety** we want to ensure our colleagues return home safely at the end of the day.

Our **sustainable** decisions focus on making our building sites energy neutral and our projects fit for the future.

We work with state-of-the-art BIM-models and artificial intelligence to **digitally** transform our ideas into prototypes.

And we have an eye on the world around us, making sure our **footprints** are positive.



Safety



Sustainability

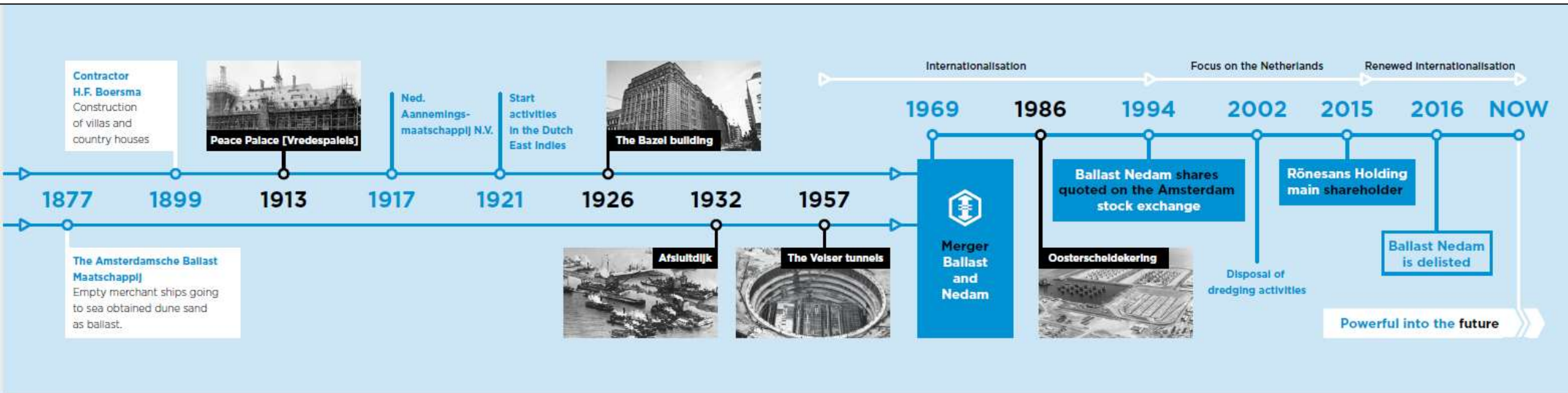


Corporate  
social  
responsibility



Digital  
transformation  
& Innovation

# Ballast Nedam History



Orderbook 2020

~ € 1,4  
billion

Number of employees 2020

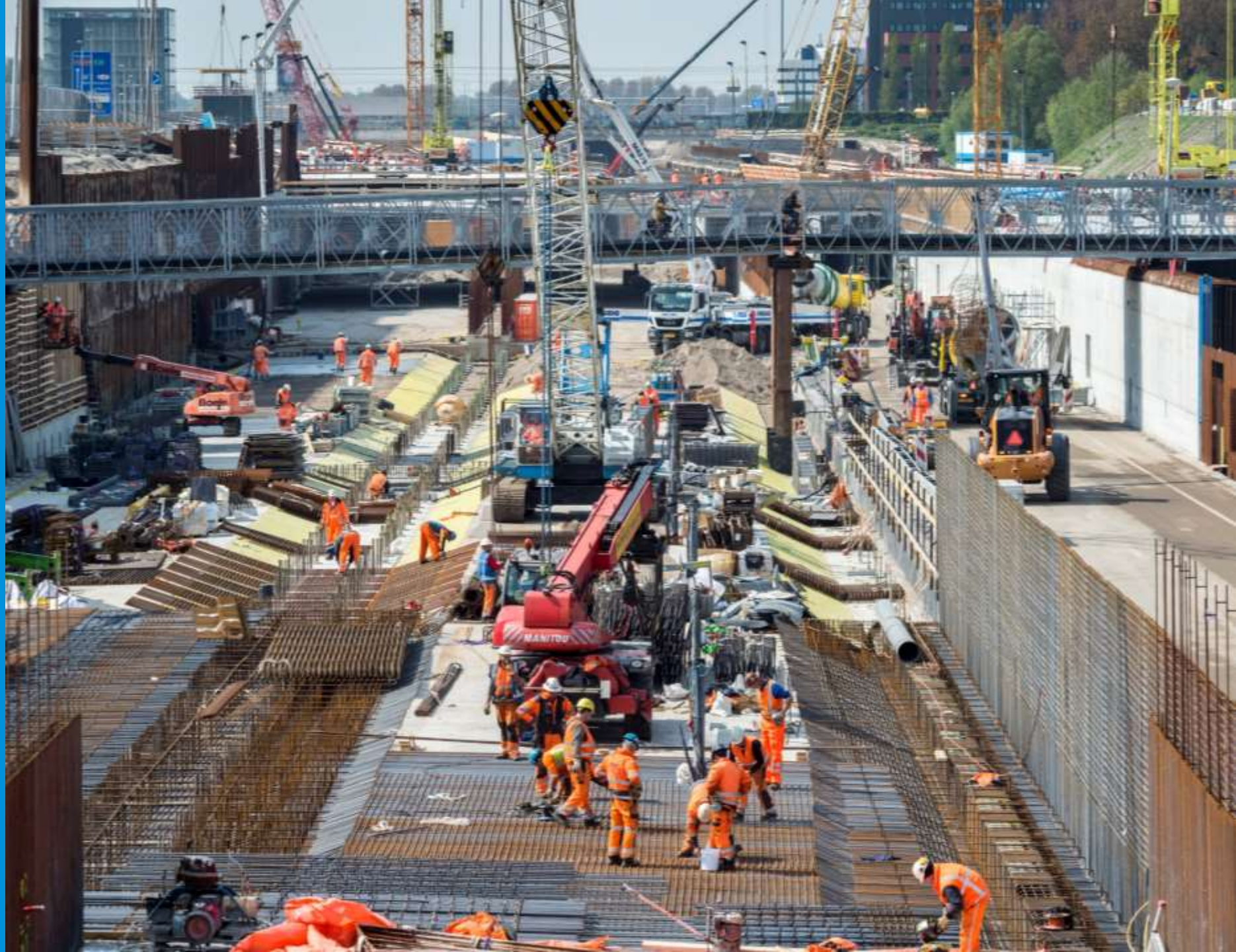
1800

Revenue 2020

> € 945  
million

Solvency ratio 2020

>24,1%



# International presence

Europe	Africa	Asia	Caribbean
The Netherlands	Guinea Conakry	Sri Lanka	St Martin
The United Kingdom	Tanzania		St Lucia
Belgium	Ghana		Aruba
France	Uganda		Curaçao
Sweden	Mozambique		
Luxembourg			
Turkey			
Germany			
Switzerland			





# Rönesans Holding



Evolution Tower

Moscow



Başakşehir Çam & Sakura City Hospital

Hospital



Gas to Gasoline

Akhal



Gotthard tunnel

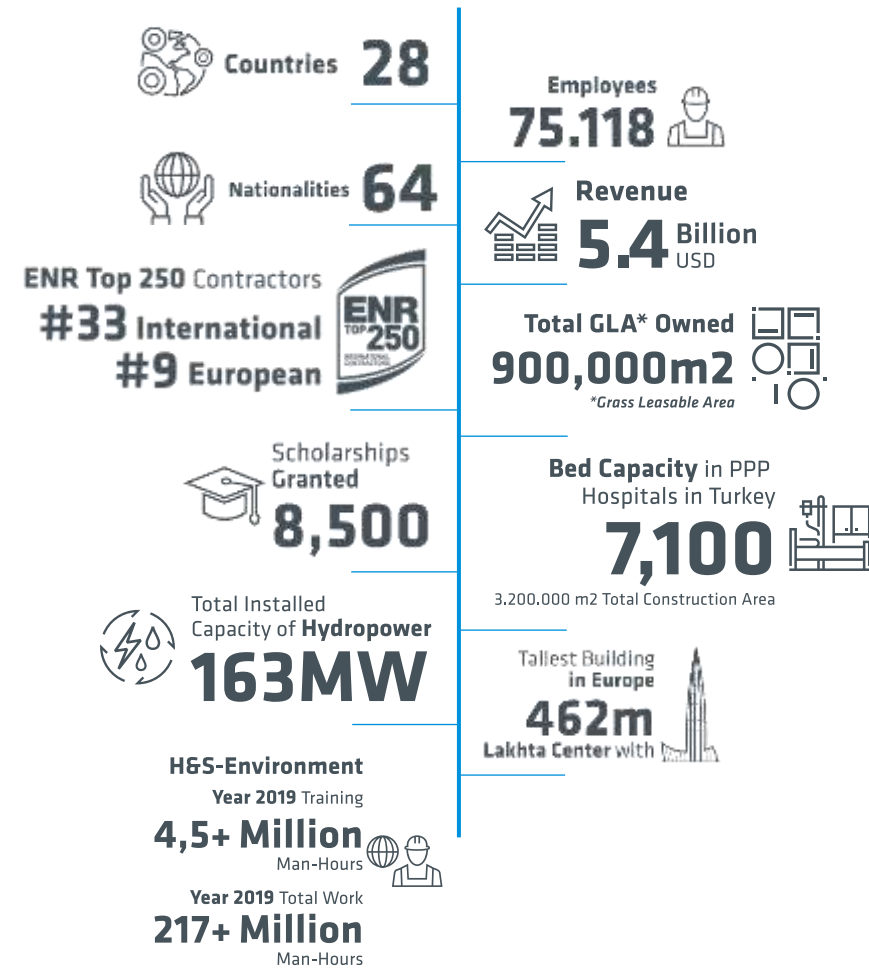
Switzerland



Lakhta Center

Sint Petersburg

# Key figures



**Ghana:**

**Stability leading to Scarcity**

# Ghana: Stability leading to Scarcity

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- **More than a decade of stability make Ghana a prime centre for FDI and international finance**
  - Stable political situation: lenders target;
  - Functional proposals system;
  - Election promises include economy/infrastructural need;
  - Passionate engaging community.

# Ghana: Stability leading to Scarcity

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## - Project Supply

- Steady supply of infrastructure projects;
- Suboptimal Debt Position of Ghana;
- Ceiling levels reached on various Export Credit Agency platforms;
- More projects than financing capacity.

# Ghana: Upwards Potential

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- **Priority Lists**
  - Focused effort;
- **Economic Growth could lead to increased ceilings**
  - Young Population;
  - Ongoing growth;
- **Grants and Subsidies**
  - IFIs are open to develop specific support programs.

# **Ghana:** **Project Financing Options**



# Ghana: Current Financing Options

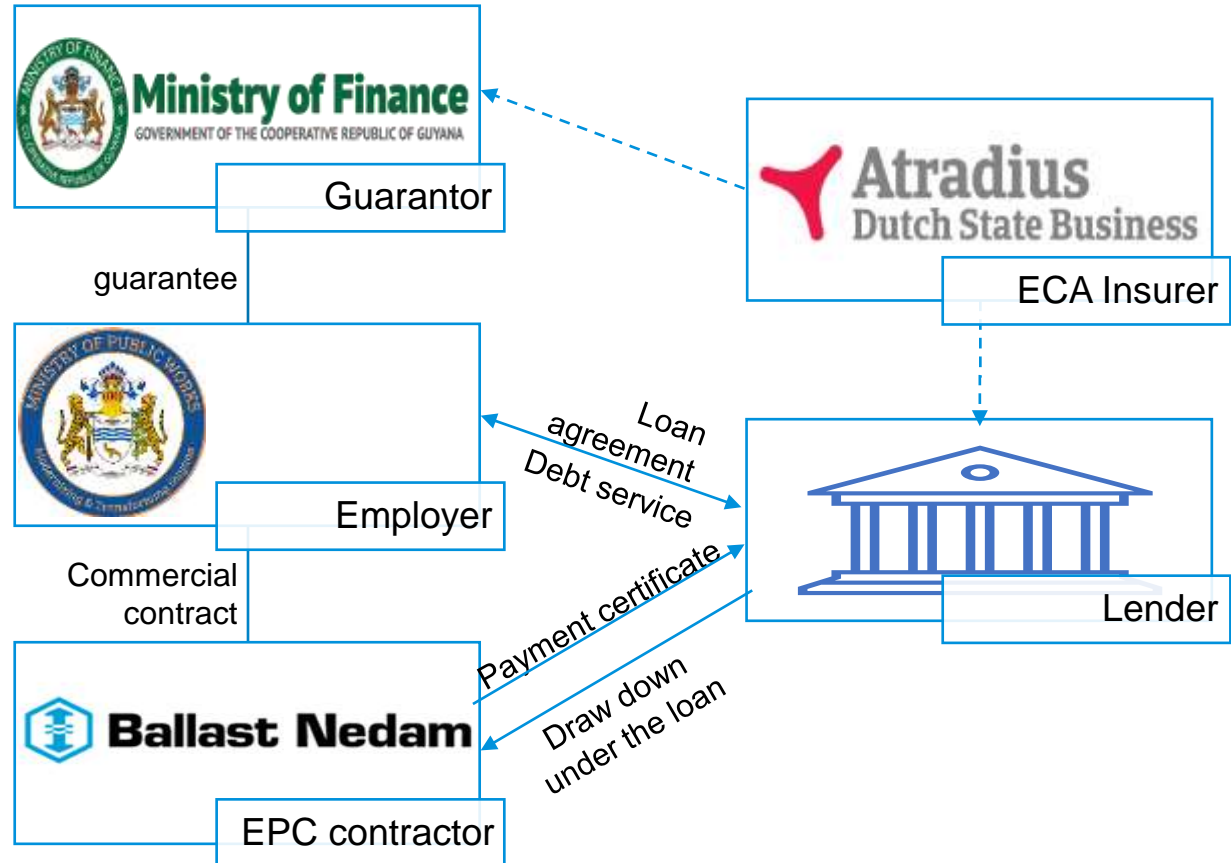
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- **ECA financing – limited capacity**
- **Development banks**
- **Regional providers**
- **Blended Finance**
- **Public Private Partnerships**

# Ghana: Export Credit Finance

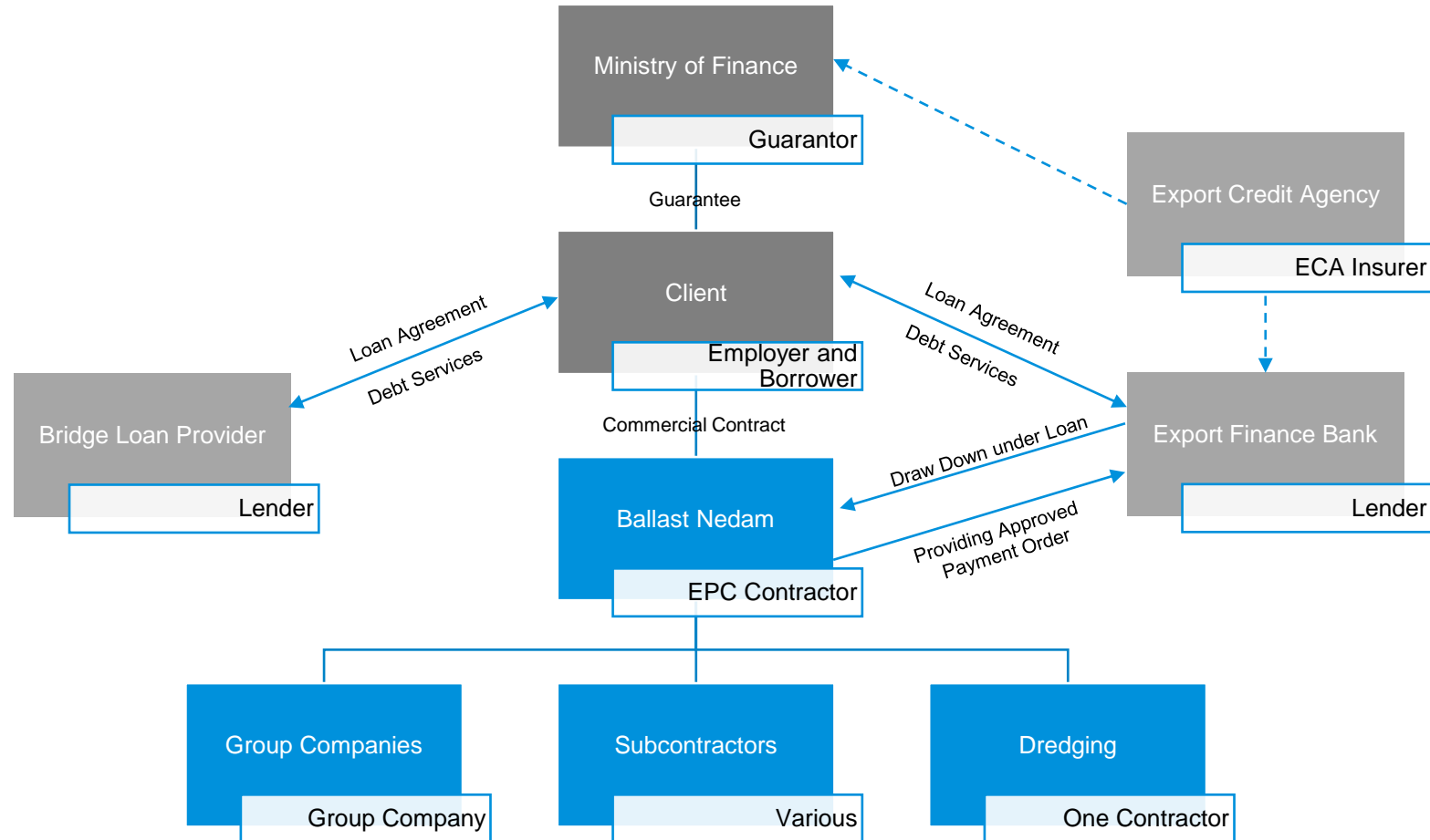
- Limited capacity (EKN and UKEF are closed)
- Possibilities to explore:
  - Syndicating of ECAs
  - Credit enhancement through Political Risk Insurance (CPRI)
- MIGA – Multilateral Investment Guarantee Agency Political Risk Insurance

## ECA Scheme



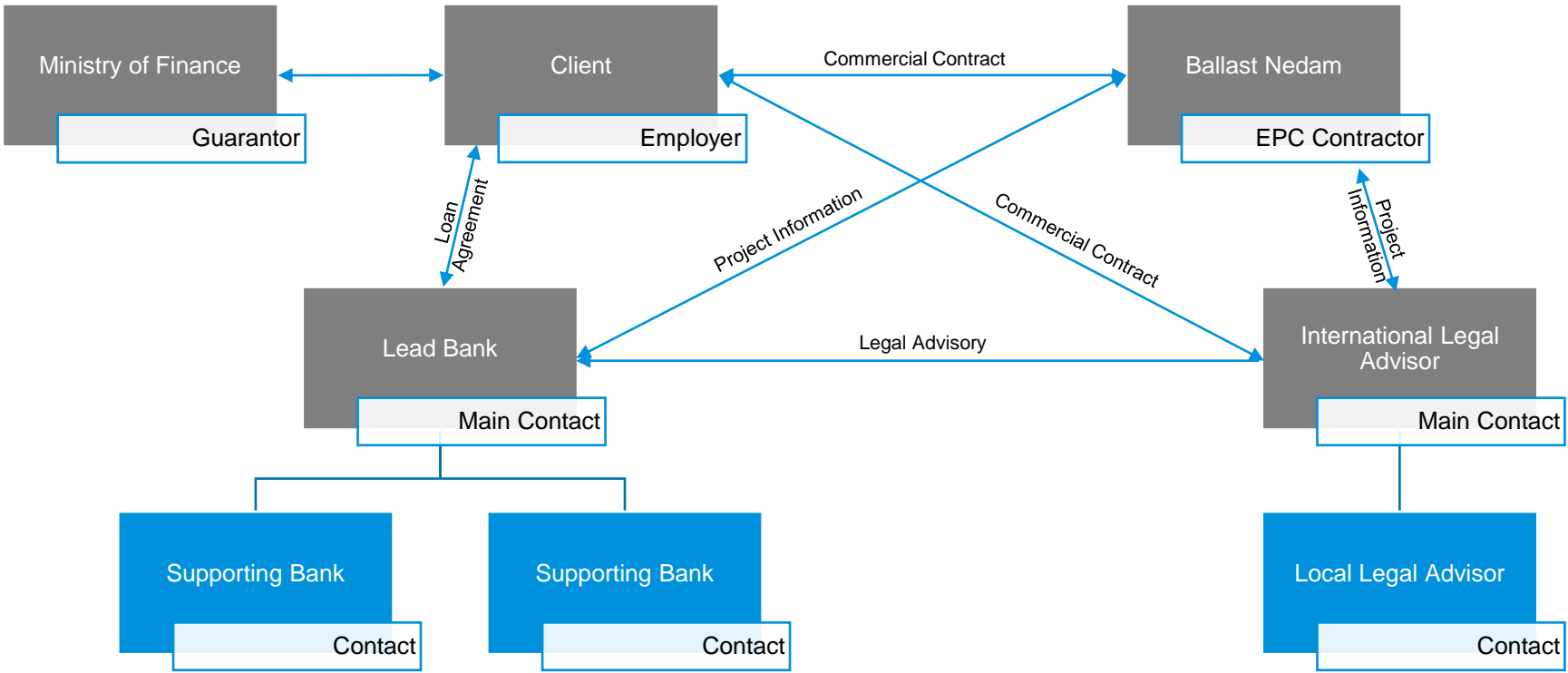
# Proposed Project Financing Structure

Project organisation including Finance Structure



# Bank Structuring

## Information and Contractual Structure



# Ghana: Development Bank Financing

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- **World Bank**

- USD 3.6 Billion involvement via grants and credits.

- **IFC**

- USD 1.6 Billion commitment, stimulates private enterprises, especially in Ghana on agriculture and manufacturing.

- **African Development Bank:**

- Operations in Ghana supported government's infrastructure development, productivity enhancement in agriculture and development of skills for industry.

# Ghana: Development Bank Financing

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- **European Investment Bank (Supporting opening local investment bank).**
  - Small projects but increasing reach
- **OFID (OPEC Fund for International Development)**
  - Public sector lending

## Ghana: Regional Funding (debt and equity)

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- African Finance Corporation (AFC)
- Afrixebank
- ATI (African Trade Insurance) – up to 15 years of cover
- Private institutions

# Ghana: Blended Finance

- Financing with a combination of lending and a granting element.
- Development agencies from various European countries are often supporting programs
  - France – SFIL
  - Netherlands – Invest International DRIVE program





# Ghana: Public Private Partnerships

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- **Increasingly common in Western Africa:**
  - Off balance sheet;
  - Limited out-of-pocket expenditures for Governments.
- **Government provides a concessionaire with the exclusive rights to build a certain infrastructural project.**
- **Successful projects:**
  - Repayment from market revenues; or
  - Through availability payment; or
  - Minimum level guarantees

# Ghana: Public Private Partnerships

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- **Financed through a mix of equity and debt**
  - Leverage, tenors and guarantees are greatly depended on the project risks
- **Relatively high development costs**
  - with respect to design, engineering, legal and financial
  - a typical PPP project would be up from USD 200 M.

# **Ballast Nedam: Some Examples**

# Some Examples

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- **ECA financing:**

- Steel bridge 200m USD
- Water Treatment and Distribution 84m USD

- **Insurance mix**

- Market and Logistic Centre: Mixed insurance program to enable a 100% financing from an ECA and the Insurance arm of the Islamic Development Bank (Eur 130 M)

# Some Examples

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- **International Project Finance:**

- For an crude oil project in Eastern Africa we provided the content to tab in on ECA financing as a part of the overall project of USD 3.5 Billion.

- **Blended Finance:**

- Guinea Conakry; we are about to start a project where we combined 50/50 a grant from the Dutch government with a loan from a Development Bank.



**Any  
questions?**

## Contact Details

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# Ballast Nedam

Challenge **to Improve**

