

The Government of Rwanda and Metito Announce the Financial Close of the First Bulk Surface Water Supply Public Private Partnership (PPP) Project in Sub-Saharan Africa

- *The plant will provide 40 million litres a day of fresh and clean water, thereby 40% of the Kigali city's potable water requirements.*
- *A milestone in Rwanda's progressive vision to build an economic, prosperous and first class developed country.*
- *Secured and sustainable water supply will have a huge impact on the socio-economy of the country.*

24th November 2017- the Government of Rwanda and Metito have today announced the Financial Close of the First Bulk Surface Water Supply PPP project in Rwanda and Sub-Saharan Africa. The finalisation of this PPP Agreement spells the start of execution of the highly-anticipated Kigali Bulk Water Supply project (the 'Project') with construction forecasted to last 30 months from the commencement date.

The Project is being developed on a Build, Operate and Transfer (BOT) basis and will be located in Kanzenze, in the South Eastern part of Kigali. The Project will provide 40 million litres per day of fresh, clean and safe water to the residents of Kigali and Bugesera to serve domestic, commercial and industrial end users. The treated groundwater will be extracted from the south bank of the Nyabarongo river and will supplement existing water supplies in a strategic move to meet Kigali's growing water demands – a city with a population of over one million residents.

This iconic Project is being developed by Kigali Water Limited (KWL), a fully owned subsidiary of Metito, a global provider for intelligent water management solutions with 60 years of experience developing and managing water facilities across the world covering four continents. KWL will design, build, maintain and operate the treatment plant and will then sell potable water to the Water & Sanitation Corporation of Rwanda (WASAC) under the 27-year PPP Agreement.

The Emerging Africa Infrastructure Fund (EAIF), a member of the Private Infrastructure Development Group (PIDG), is the mandated Lead Arranger of the financing of this Project which is worth US\$60.8 million. EAIF and The African Development Bank (AFDB) are covering US\$40.6 million of the capital cost of the Project; US\$38 million of Senior Debt and

US\$2.6 million of Junior Debt with all loans on 18-year terms. The balance will be provided by Metito as equity finance. The Project also benefits from a US\$6.25 million grant from PIDG's Technical Assistance Fund.

The Project was awarded to Metito through an international, and competitive tender process, and the completion of its financing marks a historic moment and a milestone in Rwanda's progressive vision to build an economic, prosperous and first class developed country. The successful Financial Close of a project of this size also highlights the effective partnership between the public and private sectors and is a landmark project that will pave the way to other similar capital-intensive projects in Africa and a catalyst that can enhance the international investor community's appetite to invest in Rwanda.

Eng. Aime Muzola, Chief Executive Officer of the Water and Sanitation Corporation (WASAC Ltd) stated, "The Kigali Bulk Surface Water Supply project will put in place the needed infrastructure, which will contribute to Rwanda's ongoing economic development. It will also end water shortage in many areas in Kigali, ensuring 100% access to clean water every day. The project will be completed in two and half years therefore cementing the certainty of achieving our National Strategy for Transformation goals of providing 100% access to clean water for all in Rwanda.

David White, Chairman of the Emerging Africa Infrastructure Fund says, "The conclusion of the financing is tremendous news for Rwanda. Fresh, clean water has a fundamental role to play in economic development and water-dependent businesses like hotels, food processing and leisure, will have greater confidence in investing in Kigali. The financing exercise has been a model of cooperation between EAIF, the AFDB, the Government of Rwanda, and Metito."

Mutaz Ghandour, Metito Chairman and CEO, said, "The Kigali Bulk Surface Water Supply PPP project puts Rwanda on the map for the international investor community and marks a historic moment for Rwanda. Together, today, we are setting a precedent not only for Rwanda, but for the whole of Sub-Saharan Africa, and surely for Metito. Once complete, this will become an exemplar project for PPPs in the region – there is no doubt – so today, we must all celebrate alongside the People of Rwanda.

He added, "Africa has huge potential and we expect this to continue as critical infrastructure develops around the provision of key utilities. To undertake such capital-intensive

infrastructure projects, the PPP scheme remains to be the best, and sometimes unavoidable, formula, and Metito acknowledges this. Our global growth strategy aims at expanding our presence in Africa, and augmenting Metito's well established and tested operations in North, West and now East Africa, and this remarkable project here in Kigali is in line with this strategy. The diligence and effort put into the structuring of the project and towards reaching Financial Close is outstanding, and we look forward to working with our partners on this project and other similar opportunities in Rwanda and the region. We are honored to be part of this.