MCPP INFRASTRUCTURE

MCPP Infrastructure is an IFC solution to mobilize new sources of loan financing for vital power, transport, water, and telecoms projects. It provides an entry-point for institutional investors to increase their exposure to emerging market infrastructure with managed risk.

IFC’s Managed Co-Lending Portfolio Program (MCPP) is a syndications process that allows outside investors to participate in IFC’s senior loan portfolio. MCPP Infrastructure was designed for institutional investors who are seeking to increase their exposure to emerging market infrastructure debt.

Building A Diversified Infrastructure Portfolio

1. Institutional investors establish and fund special purpose vehicles for co-investment with IFC in emerging market infrastructure.
2. When IFC provides debt financing for infrastructure projects, it offers a portion of each new loan to the special purpose vehicles on the same terms and conditions as IFC’s lending.
3. IFC is responsible for the origination of all projects and is the lender of record for each loan.
4. Over time, MCPP Infrastructure partners build up a diversified portfolio of infrastructure loans that mirrors IFC’s own portfolio.

Creating an Investment-Grade Loan Portfolio

One of the major barriers to institutional investors allocating more of their assets to infrastructure is their preference for investment-grade risk/return profiles. IFC addresses this through MCPP Infrastructure by providing a first-loss tranche of up to 10% of each partner’s portfolio. This is supported by guarantees from the Swedish International Development Cooperation Agency (Sida).

Leveraging a Strong Track Record in Syndications

IFC’s syndicated loan program is the oldest and largest among multilateral development banks. Since 1957, we have mobilized over $50 billion from more than 500 financial institutions for over 1,000 projects in 115 emerging markets.

In partnership with

Swedish International Development Cooperation Agency

IFC International Finance Corporation

Sweden