

## InfraZamin Pakistan awarded 'AAA' Credit Rating by the Pakistan Credit Rating Agency (PACRA)

*InfraZamin Pakistan, an initiative by the Private Infrastructure Development Group (PIDG), developed by GuarantCo, aims to crowd in funding from local markets for sustainable and socially responsible infrastructure. In demonstrating a high level of creditworthiness, InfraZamin Pakistan can bolster its role as a catalyst for development in the country.*

For immediate release – 5 May 2021

InfraZamin Pakistan Limited (InfraZamin) has been assigned the highest credit ratings possible by the Pakistan Credit Rating Agency (PACRA), with a long-term rating of AAA (Triple A) and short-term rating of A1+ (A One Plus). The strong positive rating by PACRA comes as InfraZamin is gearing up to launch business operations and lends further support for InfraZamin's plans to develop the infrastructure financing market in Pakistan by offering credit enhancement solutions.

InfraZamin Pakistan is a commercial credit enhancement facility, developed by GuarantCo, that seeks to crowd in funding from the local market for sustainable and socially responsible infrastructure projects in Pakistan.

The facility is an initiative of the Private Infrastructure Development Group (PIDG). InfraZamin's sponsors include PIDG companies InfraCo Asia Investments (InfraCo Asia) and GuarantCo, in partnership with non-profit Karandaaz Pakistan. This will be the first-of-its-kind facility in Pakistan that seeks to provide local currency guarantee solutions and is expected to be vastly beneficial in bringing new projects and borrowers to the market. The establishment of InfraZamin benefitted from the advisory support of Capital Partners Group.

InfraZamin will serve as a catalyst for greater private sector participation in long-term, local currency financing of infrastructure in Pakistan. At present, infrastructure financing in Pakistan is characterised by the dominance of commercial bank lending, underdeveloped capital markets, the public sector crowding out private sector borrowers, and a heavy reliance on external markets.

InfraZamin's credit enhancement solutions are intended to address these gaps in infrastructure financing in order to provide new and improved access to basic infrastructure, create jobs, as well as promote inclusive growth and sustainable development. Development impact, trust and additionality form the core of InfraZamin's business values along with a commitment to the United Nation's Sustainable Development Goals (SDGs).

The guarantee solutions will target sectors which typically face bankability issues, and which present the opportunity to create high development impact in Pakistan. These sectors range from digital communications, to renewable energy, education, healthcare, and water and sanitation, where there is still chronic underinvestment.

InfraZamin has a total of PKR 4.125 billion of equity capital from InfraCo Asia as 60% shareholder and Karandaaz as 40% shareholder. In addition to the paid-in capital, GuarantCo will provide a Contingent Capital Facility with a callable capital of up to PKR 8.125 billion. InfraZamin has the ability to leverage its capital when issuing guarantees.

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### About InfraCo Asia Investments

InfraCo Asia Investments Pte Ltd (InfraCo Asia) is a commercially managed infrastructure investment company of the Private Infrastructure Development Group (PIDG), funded by the UK's Foreign, Commonwealth & Development Office (FCDO), a member of the PIDG.

Headquartered in Singapore, InfraCo Asia provides funding and development expertise for early-stage infrastructure projects in South and Southeast Asia, to realise socially responsible and commercially viable infrastructure that contributes to sustainable and inclusive economic growth.

For more information, visit [www.infracoasia.com](http://www.infracoasia.com).

### About Karandaaz Pakistan

Karandaaz Pakistan is a non-profit that provides capital to SMEs through a commercially directed investment platform, and promotes financial inclusion of individuals by employing technology-enabled solutions for fostering economic growth. Karandaaz is funded by the FCDO and the Bill & Melinda Gates Foundation. For more information, visit <https://karandaaz.com.pk/>.

### About GuarantCo

GuarantCo mobilises private sector local currency investment for infrastructure projects and supports the development of financial markets in lower income countries across Africa and Asia. GuarantCo is part of the Private Infrastructure Development Group (PIDG) and is funded by the governments of the United Kingdom, Switzerland, Australia and Sweden, through the PIDG Trust, the Netherlands, through FMO and the PIDG Trust, and France through a stand-by facility. GuarantCo is rated AA- by Fitch and A1 by Moody's. GuarantCo's activities are managed by GuarantCo Management Company which is part of Cardano Development. For more information, visit [www.guarantco.com](http://www.guarantco.com).

### About PIDG and PIDG TA

The Private Infrastructure Development Group (PIDG) is an innovative infrastructure development and finance organisation which encourages and mobilises private investment in pioneering infrastructure in the frontier markets of sub-Saharan Africa and south and south-east Asia to promote economic development and combat poverty. PIDG delivers its ambition in line with its values of opportunity, accountability, safety, integrity and impact. Since 2002, PIDG has supported 175 infrastructure projects to financial close and provided 223 million people with access to new or improved infrastructure. PIDG is funded by six governments (the UK, the Netherlands, Switzerland, Australia, Sweden, Germany) and the IFC.

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PIDG TA can provide technical assistance and capital grants to the PIDG companies to meet a range of needs associated with an infrastructure project's life-cycle. PIDG TA can also provide up-front viability gap funding grants to support PIDG projects that require concessional funding to make a project with strong development impact financeable. For more information, visit [www.pidg.org](http://www.pidg.org).