



FIRSTRAND



Unlocking Public and Private  
Finance for the Poor



# ELIPSIS

Exchange Listed Investment Platform for  
Sustainable Infrastructure Securitization

**UNCDF Technical Assistance Facility**

# EXCHANGE LISTED INVESTMENT PLATFORM FOR SUSTAINABLE INFRASTRUCTURE SECURITIZATION

**ELIPSIS** is the product of a partnership between **FirstRand** and **UNCDF** (the Consortium) that seeks to facilitate a significant increase in Climate/Green Infrastructure investments in Africa. Through its innovative approach of sharing exposures to **Climate/Green Infrastructure assets in sub-Saharan Africa (SSA)** with institutional investors, **ELIPSIS** will become a principal facilitator of the efficient recycling of private and developmental capital.

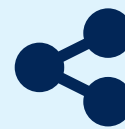
## OBJECTIVES



Promote Climate/Green Infrastructure investments in SSA profitably and at scale.



Contribute significantly to Climate/Green Infrastructure investments in LDCs.



Harness the power of public markets to crowd in the private sector optimally in order to make achieving the SDGs possible.

## VISION

**Providing access to capital for transformative climate-sensitive infrastructure** projects in SSA's Least Developed Countries (LDCs), Low income countries (LICs), Lower-Middle Income Countries (LMICs), and Upper-Middle Income Countries (UMICs) in alignment with and contributing to their efforts to promote climate-resilient development pathways and deliver net-zero emissions.

## BACKGROUND & PRINCIPLES

**ELIPSIS** was created in order deliver significant development impact by crowding institutional investors, both foreign and domestic, into listed securities.

**ELIPSIS** is one of the finalist of the Investment Product Competition launched by the Foreign, Commonwealth & Development Office (FCDO) "Mobilising Institutional Capital Through Listed Product Structures" (MOBILIST).

FCDO intends to back, and other finalists in subsequent competitions, at the conclusion of a successful commercial negotiation.

**ELIPSIS** will source exposures to Climate/Green Infrastructure assets and, using securitisation techniques, share the exposures with institutional investors by listing debt securities on the **Johannesburg Stock Exchange (JSE)** and the **London Stock Exchange (LSE)**.

The successful execution of several securitisation transactions, which may be either traditional or synthetic, will prove the viability of the platform's business model. At that point, **ELIPSIS**'s ordinary shares will be listed on the **JSE** and the **LSE**.

As a consequence, **ELIPSIS** will crowd institutional investors both into listed debt securities and into itself, facilitating the recycling of capital on two different levels. **ELIPSIS** can be either replicated on other continents or granted a global mandate. Moreover, its focus can be expanded from **Climate/Green Infrastructure to Sustainable Infrastructure** or even to other themes with high developmental impact.

# EXCHANGE LISTED INVESTMENT PLATFORM FOR SUSTAINABLE INFRASTRUCTURE SECURITIZATION

## PLATFORM INVESTMENT STRATEGY

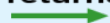
Purchases assets (Loans in a True Sale securitization) or offers protection for the credit risk of a specified pool of assets (Synthetic securitization)



Gain access to Climate/Green Infrastructure in UMICs, LMICs, LICs, and LDCs in a liquid format



Investment returns



Invest in liquid listed securities and thematic funds

Climate/Green exposure ↑

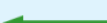


↓ Balance sheet space

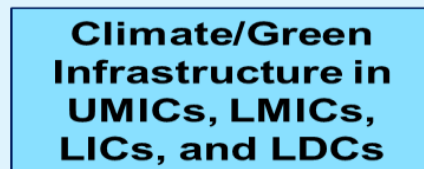


Originate Transformational Clean Infrastructure in UMICs, LMICs, LICs, and LDCs

Investments



Investment returns



Realise developmental benefits that help achieve climate-related sustainable development goals



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## ROLES



FIRSTSTRAND

UNCDF provides asset origination and structuring in African LDCs, LICs and selected LMICs leveraging existing UNCDF relationships and pipelines, including national development banks, networks of cities, and municipal/urban funds.

UNCDF will design the filter, impact reporting and monitoring tool that defines the Climate/Green Infrastructure of the ELIPSIS portfolio. This impact filter and measurement model is directly aligned with national NDCs and NAPs for the respective countries.

Ashburton's provides access to asset pipelines. As Firststrand's investment manager, Ashburton will also be responsible for the sourcing of assets. Ashburton has strong sourcing relationships with leading investment banks and DFIs operating in SSA, such as Absa, Investec, Nedbank, RMB, Standard Bank and the Development Bank of Southern Africa. Ashburton will leverage these relationships in building a pipeline of investment opportunities for ELIPSIS.

# UNCDF TECHNICAL ASSISTANCE FACILITY - ELIPSIS

## UNCDF TECHNICAL ASSISTANCE FACILITY

**UNCDF Technical Assistance Facility** ensures that the investments it brings into the project development life cycle are feasible, bankable, and have long-term inclusive and climate resilience impact, consistent with achieving Paris Agreement goals towards low-carbon and climate-resilient and inclusive development pathways.

The **TA Facility** has a specific filter and impact monitoring tool designed for ELIPSIS that provides safeguards in this area, which will be applied through its **award-winning Dual-Key investing with impact methodology** and approach to pipeline sourcing, structuring and development.

TA Facility supports LDCs in improving their public sector and private sector development with the following aims:



Systematically identify and encourage productive and catalytic investments in LDCs that drive green, sustainable and inclusive local economic development



Strengthen public and private transformative enterprises to make them bankable and investment-ready, develop local capital markets and gain access to international capital markets



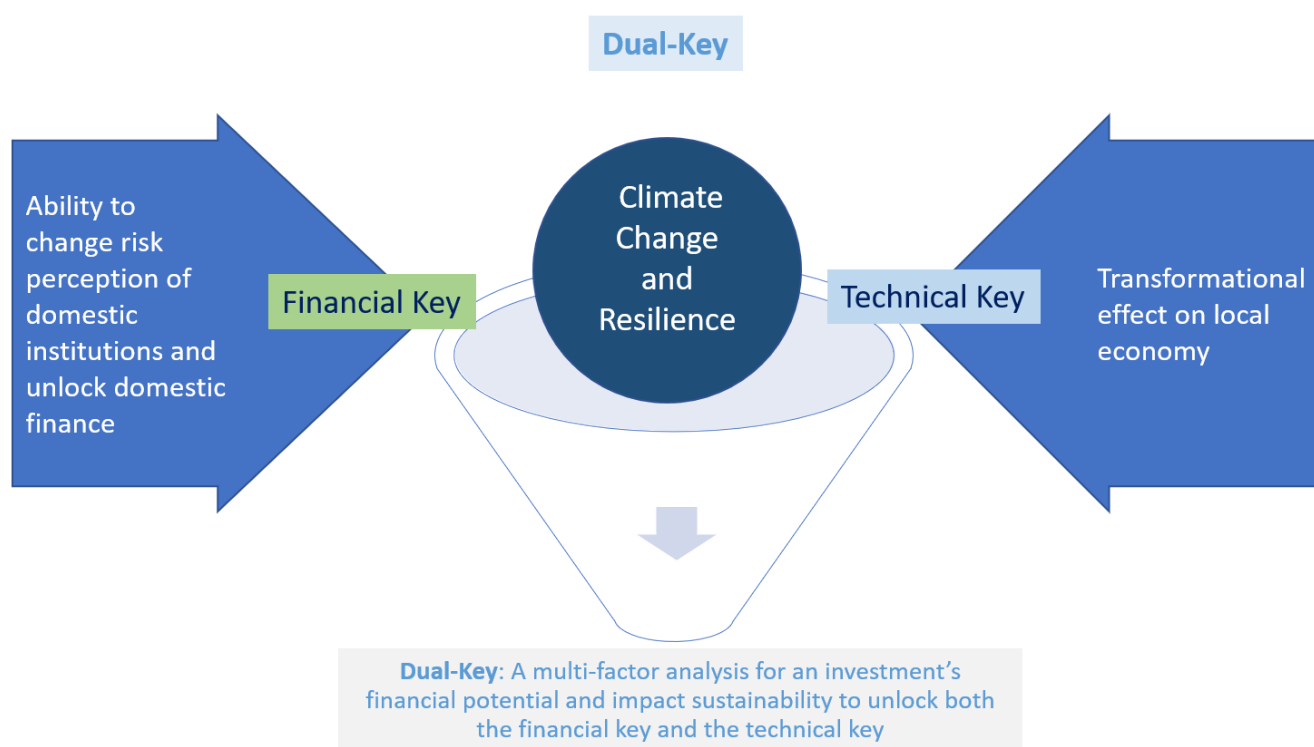
Unlock access to domestic and international commercial finance for public, private and public-private partnership projects that generate revenue and that have a transformative and measurable impact on the local economy with a focus on Climate, Food Security and Nutrition, Women's Economic Empowerment and Local Economic Development

## PROCESS



## DUAL-KEY: INVESTING WITH IMPACT APPROACH:

UNCDF will draw on its award-winning Dual Key investing with impact methodology and approach to pipeline sourcing, structuring and development. This SDG responsive approach supports LDCs in improving their public-sector and private-sector development with the following aims:



The Dual Key pipeline development process includes **standardised filters, procedures, technical advisory services and structuring methodologies**. It ensures that each adopted investment is financially sustainable and SDG responsive. Impact must be measurable and trackable: it is assessed and measured in accordance with leading development impact standards developed by UNCDF and other UN entities.

The merit of UNCDF's Dual Key approach to pipeline management is that impact and additionality can be tailored to, as well as measured in accordance with, specific national development objectives. With regards to Climate/Green additionality, this means that proposed investments will be directly linked to theand will contribute to achieving NDCs and the NAPs goals of the country, or countries, concerned.

# EXCHANGE LISTED INVESTMENT PLATFORM FOR SUSTAINABLE INFRASTRUCTURE SECURITIZATION

## IMPLEMENTATION TIMELINE AND DELIVERY PLAN

### YEAR 1

Project launch, set-up of regulatory and legal framework for the platform, and execution of first securitisation transactions

1



### YEAR 2

Multiple securitisation operations

2

### YEAR 3

Listing on JSE an LSE

3

### YEAR 5

Well-established and world-renowned securitisation platform listed with Developing Markets Sustainable Infrastructure mandate, and collaborating with Sovereigns and DFIs on blended finance projects—regionally and globally

5

### YEAR 10

ELIPSIS will have helped Sustainable Infrastructure become an asset class and the world meet the SDGs, including a transition to a low-carbon and climate-resilient development pathway. The platform will be operating across a variety of themes with high development impact, and it will crowd in both institutional investors and retail investors.

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Unlocking Public and Private Finance for the Poor



**ABOUT UNCDF:**

The UN Capital Development Fund makes public and private finance work for the poor in the world’s 46 least developed countries (LDCs).

UNCDF offers “last mile” finance models that unlock public and private resources, especially at the domestic level, to reduce poverty and support local economic development.

UNCDF’s financing models work through three channels: (1) inclusive digital economies, which connects individuals, households, and small businesses with financial eco-systems that catalyze participation in the local economy, and provide tools to climb out of poverty and manage financial lives; (2) local development finance, which capacitates localities through fiscal decentralization, innovative municipal finance, and structured project finance to drive local economic expansion and sustainable development; and (3) investment finance, which provides catalytic financial structuring, de-risking, and capital deployment to drive SDG impact and domestic resource mobilization.

**For more information on ELIPSIS, please contact:**

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Find more on : [www.uncdf.org/dual-key](http://www.uncdf.org/dual-key)



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