



The recent successful financial closing of the Beitbridge border post upgrade and modernisation project in Zimbabwe represents a pivotal moment for trade development in Africa. Completed at a cost of US\$296 million, the upgrade of one of the busiest border posts on the continent is an outstanding example of what can be achieved through effective public private partnerships.

Nedbank Corporate and Investment Bank's (CIB) involvement in the project saw the bank wearing a number of hats, including those of co-mandated lead arranger, co-lender, lender facility agent, ECIC facility agent and hedge provider. According to Shaheed Alli, Acting Head: Infra, Water & Telecomms Finance at Nedbank CIB, the bank's ability to fulfil this combination of roles, all of which were vital to the success of the project, not only demonstrates CIB's depth of expertise and comprehensive skill set, but also its multi-layered client value proposition.

"Over the years, CIB has gained an in-depth understanding of the complexities and nuances of large African project finance transactions," he explains, "and these insights, combined with our commitment to leveraging our expertise to deliver projects that move the continent closer to the achievement of the Sustainable Development Goals by 2030, allowed us to add significant value to a project that is of strategic importance for Africa."

Shaheed points out that the timing of the project's financial close could not have been more serendipitous, coming as it did on the eve of the implementation of the African Continental Free Trade Area (AfCFTA), that commenced in January 2021, and which will encourage and enable free trade between 54 African countries.

“The success of AfCFTA is highly dependent on the availability of efficient, enabling infrastructure, which the Beitbridge border post now provides thanks to this project,” he explains, “and CIB is very proud to have been able to play a leading role, through its contribution to the project, in vastly improving Africa’s prospects for inter-regional trade and economic development aligned to the SDGs, and particularly SDG 9: Infrastructure, Industrialization and Innovation.”

The significance of the project is evident from the fact that Beitbridge is a key trade gateway between the SADC regions and northern Africa, and Shaheed points out that the upgrade will resolve some of the infrastructure issues that have long plagued the border post and caused extensive delays that have hampered vital intra-continental trade. In addition, the project, which was the first public private partnership undertaken in Zimbabwe for more than 20 years, included investment into housing and water infrastructure developments for the benefits of residents of the town of Beitbridge.

“This combination of infrastructure development and social upliftment makes the Beitbridge upgrade a prime example of effective impact investment built on solid environmental, social and good governance (ESG) principles,” says Sekete Mokgehle, Head: Export Credit Finance, “which aligns perfectly with CIB’s strategic focus areas of contributing to sustainability and growth in Africa, and delivering environmental and social impact as well as economic uplift in the geographical regions of the continent that need it most.”

“CIB’s vital contribution to this project, which is expected to increase its throughput volumes five-fold when completed, illustrates our belief in the power of effective partnerships to provide much-needed infrastructure development across Africa, especially those that promotes South African exports and our ability to make such partnerships work,” Sekete concludes, “not only through our skills, products and innovative funding, but also thanks to our proven ability to work with development finance institutions, governments, other commercial lenders and the **Export Credit Insurance Corporation of South Africa**, to provide lending that delivers meaningful and lasting impact for all stakeholders in Africa.”