Lessons from the cooperation between IDB, CTF, NAFIN and Munich RE in Mexico

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Vienna, May 16, 2015
<table>
<thead>
<tr>
<th>Early stage</th>
<th>Medium stage</th>
<th>Late stage</th>
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<tbody>
<tr>
<td>- Pre-survey</td>
<td>- Project planning</td>
<td>- Power plant engineering &amp;</td>
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<td>- Exploration</td>
<td>- Drilling</td>
<td>construction</td>
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<td>- Test drilling</td>
<td>- Field development</td>
<td>- Commissioning</td>
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<td>- Operations</td>
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<td>Seed capital</td>
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<td>Drilling equity</td>
<td>Project &amp; tax equity</td>
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</tbody>
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### Investors

- Developers
- IPPs
- Public contribution
- (Venture capitalists)
- PPP equity
- Gvmnt. guarantees
- Private equity
- (Inst. (Co-)investors)
- Institutional investors
- Large IPPs

**Bankability**

**Insurability**

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Purpose

- Mechanism to mitigate upfront resource risk
- Financing mechanisms for all stages

Lessons

- To combine forces leads to “win – win – win”
- Global idea - local circumstances
- Green field – private money
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Legal Relations

Fiduciary Structure with NAFIN as trustee

Loss reserve fund
Premium subsidy fund

Insurance Contract
Loan Agreement

Developer

Framework Agreement

1 preferred option – one contract between NAFIN & MR, depending on legal quality of Fiduciary Structure