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PATRIA INVESTMENTS OBTAINS FINANCING FOR DESALINATION PLANTS IN CHILE

Patria desalination plants get US$883 million credit line in Chile

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Carey has helped Latin American-focused asset manager Patria Investments obtain US$883 million in financing for two desalination projects it is developing in Chile's Valparaiso and Metropolitan regions.

Milbank in New York represented Chile's Aguas Pacífico Holding, a portfolio company of Patria, which operates the water assets through its subsidiaries Aguas Pacifico and San Isidro Quilapilún.

Two Paul Hastings LLP offices and Guerrero Olivos in Santiago advised the syndicate of lenders in the deal, which included Sumitomo Mitsui, DNB Bank and ScotiaBank.

The transaction closed on 15 December.

The credit facility will fund the construction and operation of the Aconcagua desalination plant in the Quintero Bay area of Valparaíso province as well as the San Isidro Quilapilún aqueduct in the Santiago Metropolitan region.

Once operational, the Aconcagua plant will have the capacity to produce approximately 86,400 cubic metres of water per day, which will be used to supply mining and industrial clients across the region. Construction of this project is expected to be completed in 2025.

Spanning from the district of San Isidro in Valparaiso to Quilapilún in the Santiago Metropolitan region, Patria's aqueduct project will transport around 1,000 litres of desalinated water from the Aconcagua plant per second to consumers in the surrounding areas.

At present, the aqueduct has been commissioned to supply water to

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nearby rural sanitation systems, ensuring that around 40,000 citizens in the region have access to safe and sustainable water.

Several other desalination deals involving Latin American water infrastructure assets have occurred recently. Earlier this month, for example, Brazil's Rio+ Saneamento raised US$1.1 billion across several debt transactions. Meanwhile, desalination projects often attract investment in the region. In 2023, Chilean transmission business Transelec obtained financing for a new plant in northern Chile, which will supply water to Codelco-led mining operations.

Cayman Islands-headquartered Patria Investments is considered one of the largest alternative asset managers in Latin America, specialising in private equity, infrastructure, real estate and credit management. To date, it has some US$28.4 billion worth of assets under its management. The company has 10 offices located across the globe — including Brazil, Chile and Uruguay.

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