

## Keeping it clean

**Capital Dynamics' latest investment platform – a clean energy and infrastructure team – will forgo the firm's classic fund of funds approach.**

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Capital Dynamics is wading into the wind and solar power sectors with the launch of a clean energy and infrastructure (CEI) strategy that it believes will combine attractive aspects of infrastructure investing with private equity returns. A source at the Swiss-based alternative assets giant, which manages more than \$21 billion in private equity and real estate funds, expressed the view that clean energy infrastructure is an "emerging asset class" in its own right.

No details have yet been given with regard to fund launches, but it is known that Capital Dynamics will be pursuing a direct investment strategy that will target the wind, solar, biomass and landfill gas sectors among other possible areas.

Capital Dynamics' CEI team will be headed David Scaysbrook, founder of Novera Energy, the UK renewable energy firm which was sold to Terra Firma-owned rival Infinis Energy in November last year.



Although Capital Dynamics operates a number of existing funds of funds, it believes it can minimise the potential for competing with the underlying managers within these funds because of the high level of syndication it believes will characterise CEI investments. This is due to what a source described as a "huge capital requirement" in the space.

Capital Dynamics thinks three categories of limited partner will be attracted to the space. From within the 'classic' institutional portfolio, commitments to CEI are expected to be split between the private equity and infrastructure allocations. It also expects "thematic" investors to back the renewable energy theme, while others will invest in accordance with ESG (environment, social, governance) guidelines.

*Scaysbrook: going direct*

Scaysbrook recently spoke to the importance of this latter point on the sidelines of PEI's Responsible Investment Forum (see p. 26). View Scaysbrook video interview on the conference sidelines by visiting [PrivateEquityOnline.com](http://PrivateEquityOnline.com) and clicking on the multimedia tab.