

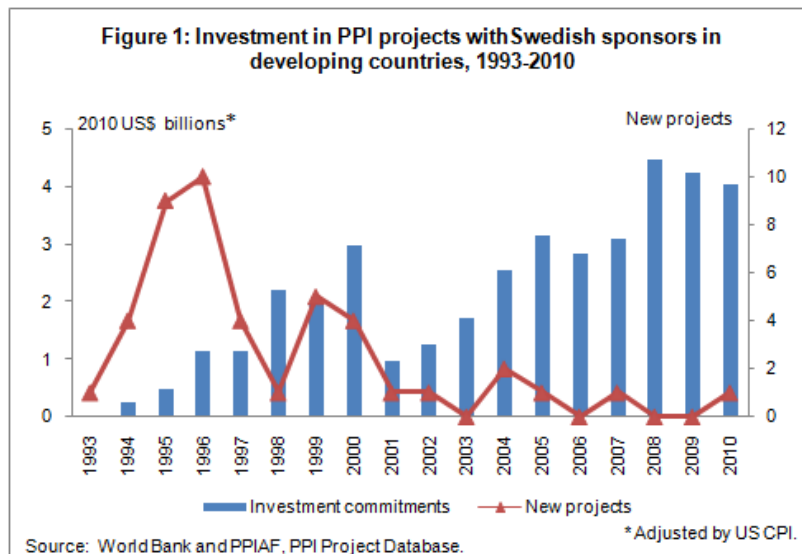
PRIVATE PARTICIPATION IN INFRASTRUCTURE DATABASE

PPI data update note 66

December 2011

Snapshot of Swedish sponsors' involvement in infrastructure projects with private participation in developing countries

Swedish companies were sponsors in 45 infrastructure projects with private participation (PPI) in developing countries by 2010¹. These projects attracted total investment commitments (hereafter *investment*) of US\$38.3 billion². Most of the engagement in new projects occurred in the 1990s when 38 projects with Swedish sponsors were implemented. By contrast, only seven new projects with Swedish sponsors were implemented in 2001-10. However, investment in projects with Swedish sponsors remained strong with annual investment commitments of US\$3 billion to US\$4 billion between 2005 and 2010 due to the additional investment in previously implemented projects.



Swedish sponsors invested in infrastructure projects with private participation in 17 developing countries. Most of the activity was concentrated in upper middle-income countries (34 projects and 83% of total investment)³. Russian Federation was the upper middle income country that accounted for most of the investment. Swedish sponsors also participated in projects in five IDA countries⁴ (Lao PDR, Sri Lanka, Tajikistan, Moldova and Nepal).

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¹ Projects included in the analysis are those in which Swedish companies/sponsors had at least 15% equity stake as of 2010. If a Swedish sponsor sold its equity participation in an infrastructure project before 2010, the project has not been included. In addition, canceled projects have not been included in the analysis.

² Investment data are in 2010 US dollar using the US CPI to adjust to 2010 values. Data at <http://ppi.worldbank.org/> are reported in millions of current U.S. dollars unless otherwise indicated

³ This analysis uses the World Bank's country classification published in July 2010 which groups developing countries in low income countries (2009 GNI per capita of US\$995 or less), lower middle income are (US\$996–3,945), and upper middle income (US\$3,946–12,1955).

⁴ IDA countries those that can borrow from International Development Association (IDA) on concessional terms given their relative poverty (2009 GNI per capita below US\$1,165) or lack creditworthiness to borrow on market terms.

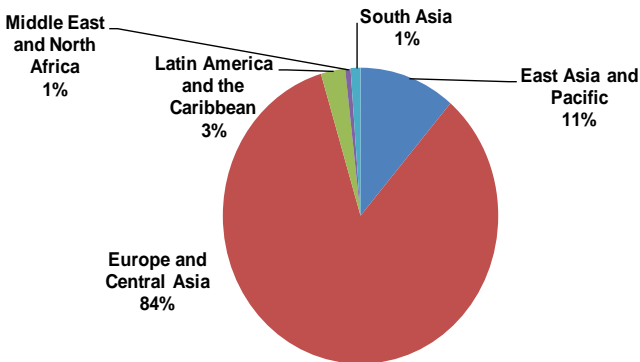
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Swedish sponsors primarily concentrated in Europe and Central Asia, which accounted for 34 of the 45 projects and 84% of total investment (figure 2). East Asia and the Pacific followed with 11% of total investment and Latin America and the Caribbean with 6 projects.

By sector, telecommunications attracted most of the private activity undertaken by Swedish sponsors with 37 of the 45 projects and 94% of total investment (figure 3). Most of the telecommunications projects were greenfield mobile operators. Energy accounted for six projects and 5% of total investment. The six energy projects were greenfield power plants. There was also one project in transport (the concession of Chilean Autopistas de Antofagasta which had Skanska as project sponsor) and one project in water (a management contract for the water utilities in Bukhara and Samarkand cities in Ukraine granted to Stockholm Water Company).

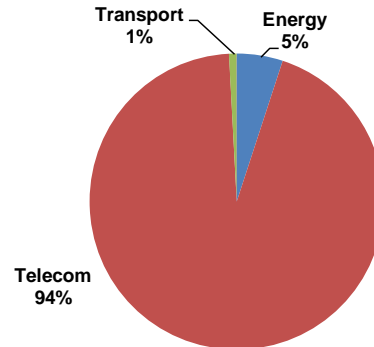
Teliasonera, a telecommunications operator, was the most active Swedish sponsor over the entire period, accounting for 85% of total investment in projects involving Swedish investors. The largest foreign investment of Teliasonera was directed to the Russian Federation. Vattenfall, an energy company, was the second most active Swedish sponsor and participated in 7% of total investment.

Figure 2 : Distribution of investment in PPI projects with Swedish sponsors in developing countries, by region, 1993-2010



Source: World Bank and PPIAF, PPI Project Database.

Figure 3: Distribution of investment in PPI projects with Swedish sponsors in developing countries, by sector, 1993-2010



Source: World Bank and PPIAF, PPI Project Database.