

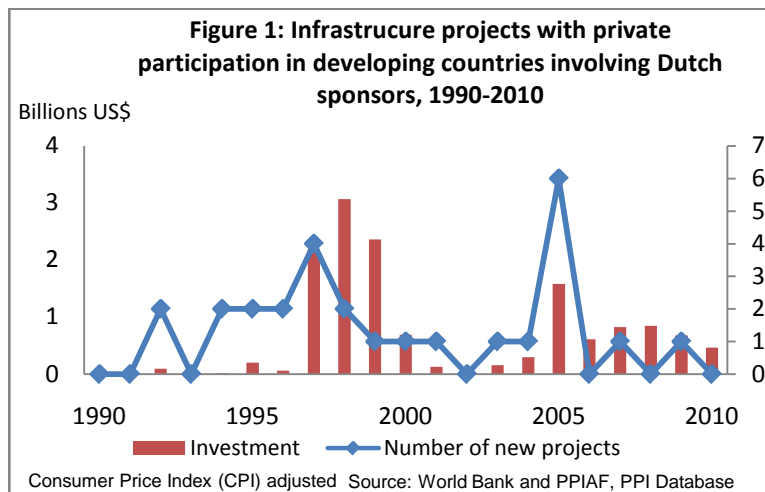
PRIVATE PARTICIPATION IN INFRASTRUCTURE DATABASE

PPI update data note 64

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Snapshot of Dutch Sponsors' Involvement in Infrastructure Projects with Private Participation (1990-2010)

Dutch companies were sponsors in **27 infrastructure projects with private participation** in developing countries by 2010.¹ These projects attracted total investment commitments (hereafter *investment*) of **US\$14.4 billion**². Investments peaked between 1997 and 1999, accounting for 53% of total investment (figure 1). The largest project involving a Dutch sponsor in developing countries was the US\$2.2 billion Bolivian-Brazilian natural gas pipeline in which Shell participated as part of the consortium that implemented the project in 1998. The gas pipeline exports natural from Santa Cruz (Bolivia) through Sao Paulo to Porto Alegre (Brazil).



Most of the PPI investment undertaken by Dutch sponsors was directed to upper middle-income countries³, which accounted for 10 projects. Dutch sponsors also implemented eight projects out of 27 in IDA countries⁴. Nigeria, Ghana, Benin, and Togo attracted most of the IDA investment.

While Dutch sponsors invested in five regions (figure 2), investment was concentrated in Latin America and the Caribbean, which accounted for 6 projects and totaled nearly 53% of total investment. Europe and Central Asia followed with 31% of total investment and 4 projects.

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

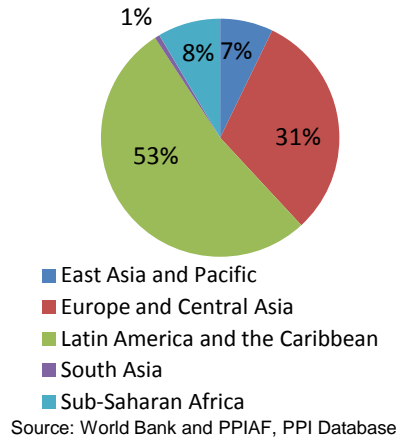
² Investment data are in 2010 US dollar using the US CPI to adjust to 2010 values. Data at <http://ppi.worldbank.org/> are reported in millions of current U.S. dollars unless otherwise indicated

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 countries (US\$996–3,945), and upper middle-income countries (US\$3,946–12,195).

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

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Figure 2: Distribution of investment in PPI projects with Dutch sponsors in developing countries by region, 1990-2010



Dutch sponsors were involved in many electricity and telecommunications projects. Projects in energy accounted for US\$9.5 billion (66% of total investment). Aside from the Bolivian-Brazilian natural gas transmission pipeline, most of the energy projects were greenfield electricity generation. The telecommunications sector was the second most attractive sector with 30% of investment (nearly US\$4.3 billion) and three projects. The largest telecom project involving a Dutch sponsor was Kazakhtelecom, the divested telecom operator of Kazakhstan that attracted total investment of US\$3.4 billion from 1997 to 2010. BODAM B.V was the Dutch sponsor in Kazakhtelecom. The other two telecommunications projects were greenfield mobile operators: one in Belarus and one in the Russian Federation.

Figure 3: Distribution of investment in PPI projects with Dutch sponsors in developing countries by sector, 1990-2010

