



PRIVATE PARTICIPATION IN INFRASTRUCTURE DATABASE

PPI data update note 47

December 2010

India drove private activity in infrastructure in South Asia to a new peak in 2009

In 2009, 53 infrastructure projects with private participation reached financial or contractual closing in 4 low- and middle-income countries in South Asia, involving investment commitments of US\$27.5 billion (table 1).¹ Infrastructure projects implemented in the 1990–2008 period attracted new investment of US\$12.4 billion, bringing total investment commitments (hereafter, *investment*) to infrastructure sectors to US\$39.9 billion in 2009.

The activity in 2009 represents an increase of 19% by investment and 23% by number of projects compared with 2008. Investment in new projects grew by 50% from 2008. By contrast, investment in projects implemented in previous years fell by 17%.

Private activity in the region, however, shows marked differences across countries. In India, private activity is vibrant. This country implemented 38 of the 53 new projects in 2009 and saw investment grow by 27%. India accounted for 90% of the regional investment. In the other countries, private activity is sporadic and in many cases aims at easing crisis situations such as power outages.

Most of the PPI activity was directed to greenfield projects (BOT, BOO, merchant, and rental), which attracted 89% of regional investment and 80% of new projects. The rest was distributed between concessions and divestitures.

Energy had 38 projects in 4 countries and investment of US\$24.6 billion. That represents a 20% increase from 2008, and the highest PPI investment level ever in the sector. Energy accounted for 62% of regional investment in 2009.

- India accounted for 23 energy projects and 93% of regional investment in energy.
- Pakistan implemented 11 energy projects of which 8 were rental power plants with contract periods ranging from three to five years. These projects aim at being a short term solution to the power crisis in the country. The three other projects were power plants implemented under BOT/BOO schemes.
- Bangladesh saw three electricity generation projects reached closing, including two BOT/BOO schemes and one rental contract while Bhutan implemented a hydro power plant under a BOT contract.
- Electricity generation accounted for 35 projects and US\$23.9 billion in investment. Those projects involved 22.2 GW in new capacity and 5.2 GW of partially divested capacity.
- There were also three electricity transmission projects with investment worth US\$405 million and 1,700 kilometers of transmission lines.
- Greenfield projects were the most common type of PPI: 37 projects and US\$60.9 billion investment. There was also one partial divestiture: an initial public offering of Indian National Hydroelectricity Power Corporation.

Telecom had 2 new projects and attracted of US\$11.6 billion. That presents a 14% decline compared with 2008. The sector accounted for 29% of regional investment in 2009.

- India accounted for 82% of regional investment in telecom and the two new projects.
- New telecom projects accounted for 20% of the investment in the sector, and additional investment in projects implemented in 1990–2008 for the remaining 80%.
- Investment went mainly to multi-service providers (54%) and mobile operators (31%).

Transport saw 12 projects in 3 countries and investment of US\$3.6 billion. That represents a drop of 38% from 2008. Transport accounted for just 9% of regional investment in 2009.

- India accounted for 11 transport projects and all transport investment.
- Roads dominated transport activity with 10 projects and US\$2.2 billion in investment. These projects involved 2,250 kilometers of roads. Eight were concessions and the remaining two were greenfield projects.
- There was one railway project: Delhi Airport Metro Link, a greenfield high speed subway line in India.
- There was also one new port project (a second management contract for Chittagong Container Terminal in Bangladesh), and the expansion of previously implemented Krishnapatnam Port Company Limited in India.

Water and sewerage had one project: the concession for Khandwa Water Supply Augmentation in India.

This note was produced by Ada Karina Izaguirre, infrastructure specialist, Finance, Economics, and Urban Development Department, Sustainable Development Network, World Bank.

¹ Data on infrastructure projects with private participation include primarily medium-size and large projects in low and middle income countries as reported by the media and other public sources. Small-scale projects are generally not included because of lack of public information. More information is available at <http://ppi.worldbank.org/>.



PRIVATE PARTICIPATION IN INFRASTRUCTURE DATABASE

Table 1. Infrastructure projects with private participation reaching financial or contractual closing in South Asia in 2009

Energy				
Country	Project Name	PPI Subtype	Segment	Total Investment*
Bangladesh	Energis Power Corporation Rental Project	Rental	Electricity generation	38
Bangladesh	Regent Power IPP	BOO	Electricity generation	19
Bangladesh	Saiham Power IPP	BOO	Electricity generation	8
Bhutan	Dagachhu Hydro Power Project	BOT	Electricity generation	201
India	Acciona Wind Energy Private Limited	BOO	Electricity generation	45
India	Adani Maharashtra Power Limited	BOO	Electricity generation	1,913
India	Bina Power Supply Company- Phase I	BOO	Electricity generation	569
India	Coastal Energen Private Limited	Merchant	Electricity generation	888
India	Corporate Power Limited	Merchant	Electricity generation	599
India	Dhariwal Infrastructure Private Limited	Merchant	Electricity generation	599
India	EMCO Energy Limited	Merchant	Electricity generation	719
India	Essar Power MP Limited	BOO	Electricity generation	1,104
India	Indiabulls Power Limited- Amravati Phase-I	BOO	Electricity generation	1,423
India	Jaigad Power TransCo Limited	BOO	Electricity transmission	120
India	Jhajjar Power Limited	BOO	Electricity generation	1,504
India	Kamalanga Thermal Power Plant	BOO	Electricity generation	1,053
India	Korba West Power Company Limited	BOO	Electricity generation	593
India	Lanco Mandakini Hydro Energy Private Limited - Phata Bhyung HEP	BOT	Electricity generation	107
India	Meenakshi Energy Private Limited	BOO	Electricity generation	286
India	National Hydroelectricity Power Corporation	Partial divestiture	Electricity generation	827
India	RKM Powergen Private Limited	BOO	Electricity generation	331
India	Sasan Ultra Mega Power Plant	BOO	Electricity generation	3,986
India	Sterlite Jharsuguda Power Project	BOO	Electricity generation	1,707
India	Talwandi Sabo Power Limited	BOO	Electricity generation	1,925
India	Vidarbha Industries Power Limited	BOO	Electricity generation	428
India	Western Region Transmission (Gujarat) Private Limited	BOO	Electricity transmission	97
India	Western Region Transmission (Maharashtra) Private Limited	BOO	Electricity transmission	188
Pakistan	Guddu Rental Power Project	Rental	Electricity generation	26
Pakistan	Gulf Rental Power Project	Rental	Electricity generation	25
Pakistan	HUBCO Narowal Power Project	BOO	Electricity generation	274
Pakistan	Karkey Karachi Rental Project-I	Rental	Electricity generation	92
Pakistan	Liberty Power Tech Project	BOO	Electricity generation	240
Pakistan	Naudero-I Rental Power Project	Rental	Electricity generation	20
Pakistan	New Bong Escape Hydropower Project	BOT	Electricity generation	233
Pakistan	Reshma Rental Power Project	Rental	Electricity generation	79
Pakistan	Satiana Road Rental Power Project	Rental	Electricity generation	47
Pakistan	Techno Rental Power Project-I	Rental	Electricity generation	36
Pakistan	Techno Rental Power Project-II	Rental	Electricity generation	47



PRIVATE PARTICIPATION IN INFRASTRUCTURE DATABASE

Telecommunications				
Country	Project Name	PPI Subtype	Segment	Total Investment*
India	STel	Merchant	Fixed access, mobile access, and long distance	754
India	Uninor	Merchant	Fixed access, mobile access, and long distance	1477

Transport				
Country	Project name	PPI Subtype	Sub-sector	Total Investment*
Bangladesh	Chittagong Container Terminal (second contract)	Management contract	Seaports	Not applicable
India	Badarpur Elevated Highway Project	Greenfield project (BOT)	Roads	118
India	Delhi Airport Metro Link	Greenfield project (BOT)	Railroads	596
India	Dhule Palesner Tollway Limited	Concession (BROT)	Roads	293
India	Gujarat Maharashtra Border NH Road	Concession (BROT)	Roads	312
India	Gurgaon Faridabad State Highway	Concession (BROT)	Roads	192
India	IRB Talegaon Amravati Toll Road Pvt. Ltd	Concession (BROT)	Roads	154
India	Jaipur Deoli NH Road	Concession (BROT)	Roads	304
India	Kishangarh Beawar NH8 Road	Concession (BROT)	Roads	164
India	Pathankot Amritsar NH Road	Concession (BROT)	Roads	246
India	Pune Solapur Expressway Limited	Concession (BROT)	Roads	283
India	Rajahmundry Godavari Bridge Limited	Greenfield project (BOT)	Roads	178

Water and sewerage				
Country	Project name	PPI Subtype	Sub-sector	Total investment*
India	Khandwa Water Supply Augmentation Project	Concession (BROT)	Utilities	24

Note: BOT= Build, Operate, and Transfer; BOO = Build, Own, and Operate; Concession (BROT) = Build, Rehabilitate, Operate, and Transfer.

*in current US\$ millions

Source: World Bank and PPIAF, PPI Database.