

PRIVATE PARTICIPATION IN INFRASTRUCTURE DATABASE

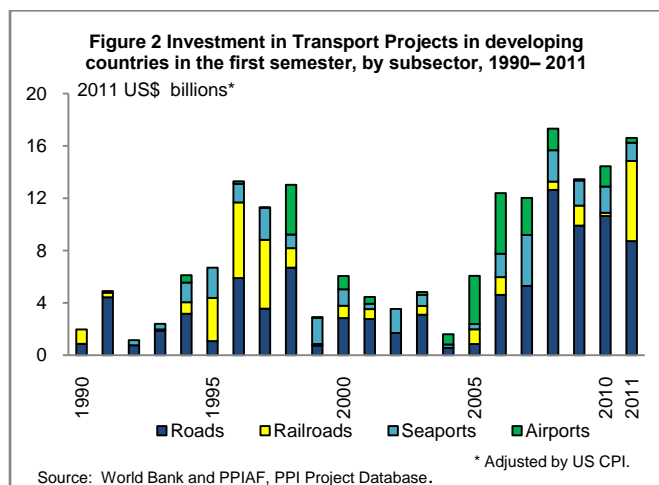
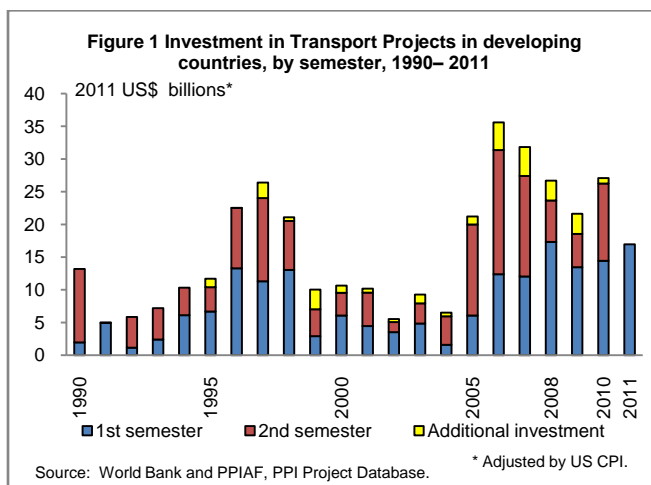
PPI data update note 71

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Private investment in large transport projects increases during the first semester of 2011, concentrated in India and the road sector

In the first semester of 2011, 34 new transport projects with private participation reached financial or contractual closure in nine low- and middle-income countries, involving investment commitments (hereafter investments) of US\$17 billion.¹ Investment in the first semester of 2011 increased by 17% compared with the first semester of 2010, on par with pre-crisis levels in the first semester of 2008 (Figure 1).² By number of projects, activity in 2011 decreased by 31% compared with the first semester of 2010 indicating fewer, larger projects in middle income countries.

As in recent periods, private investment continued to concentrate in India and the road sector globally (Figure 2). India attracted 70% of private investment in transport and implemented 65% of transport projects with private participation. Globally, there were 23 road projects involving investment of US\$8.7 billion. Railroads attracted the second highest investment level with US\$6.1 billion invested in three large metro transit projects. Five port projects reached financial closure with investments of US\$1.4 billion, and three airport projects attracted investments of US\$360 million.



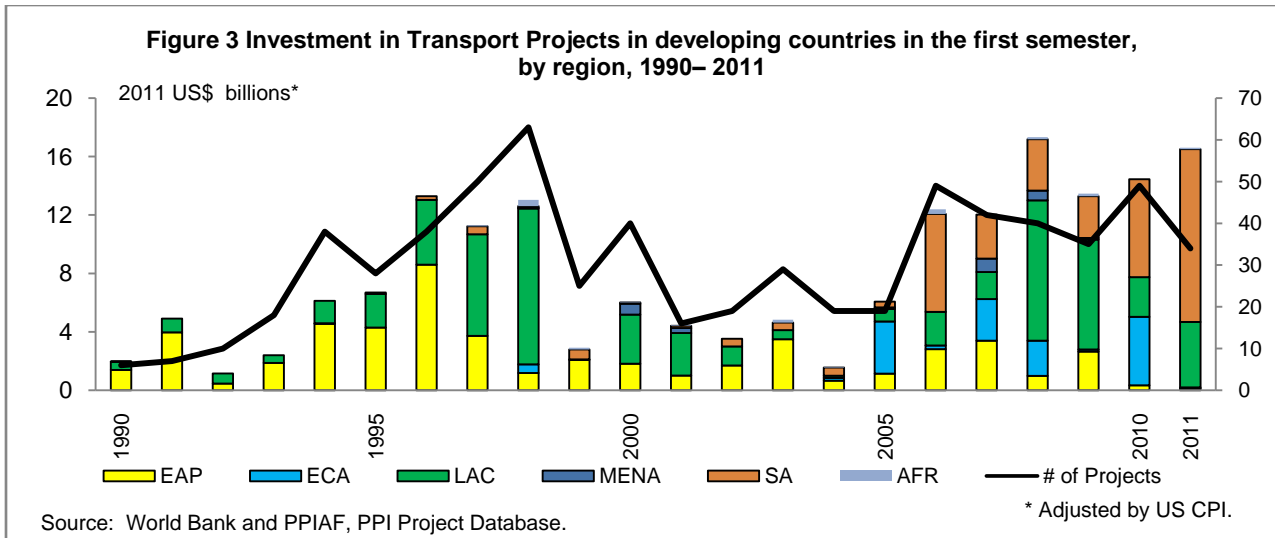
In **East Asia and the Pacific**, China closed two new seaport projects representing approximately US\$121.7 million in during the first semester of 2011 (table 1). Ningbo Port Co., Ltd., China Shipping Terminal Development Co., Ltd. and PSA International Pte Ltd (Singapore) signed an agreement on the joint operation of the berths No.1 and No.2 of the Meishan Container Port while local private company Tadee Group was granted an agreement to finance, build and operate the Lianyungang New Century Liquid Chemical Port in Lianyungang City, Jiangsu Province.

In **Europe and Central Asia** Turkish sponsor IC Group closed a US \$71.7 million financing for Zafer Regional Airport. The 30 year contract was granted by the Turkish government to serve the provinces of Kutahya, Afyonkarahisar, Eskisehir and Usak.

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¹ Data on transport 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/>.

² The PPI Project Database currently uses the FY12 World Bank country classification released in July 2011. Investment data are in 2011 US dollar using the US CPI to adjust to 2011 values. Data at <http://ppi.worldbank.org/> are reported in millions of current U.S. dollars unless otherwise indicated.



Latin America and the Caribbean, was the second most active region with five countries (Argentina, Brazil, Chile, Mexico and Peru) implementing eight new projects representing US\$4.5 billion in investment (figure3). Argentina implemented one regional road concession; Brazil signed the US\$2.2 billion concession contract for the São Paulo Rodoanel Sul e Leste and closed a US\$845 million financing for Braporto in the seaport of Santos with a syndicated loan led by the International Finance Corporation. In Chile, local sponsor Agunsa signed a concession contract for the re-tendering of El Loa de Calama airport. In Mexico, sponsors ICA and IDEAL began construction of the Autovia Urbana Sur, a US\$524 million 21km elevated toll highway in Mexico City.

Peru implemented an airport project, a seaport and a railway project with investments of US\$860 million. Ositrán, Peru’s airport authority, signed a 25-year concession contract with Aeropuertos Andinos, a consortium comprised of Andino Investment Holding [Peru] and Corporación América [Argentina], to finance, expand and operate a package of six existing regional airports in the south of Peru. The Terminal Norte project, a multi-purpose terminal at Callao port, consisted of upgrading and expanding the capacity of docks one through five under a 30-year concession contract. The Lima Electric Train Line 1 also closed financing for upgraded rolling stock. The tunnel was being built under an EPC contract.

South Asia had the most activity of any region with investment of US\$11.8 billion and 22 new projects, all implemented in India. Roads comprised most of the activity, accounting for nineteen projects (two greenfield and seventeen brownfield concessions) and investments of US\$5.9 billion. Twelve of these road projects were supported by the government with fixed capital grant payments. Two large, greenfield metro projects also closed financing (L&T Hyderabad Metro Rail Private Limited and Mumbai Metro Phase II) with investment of US\$5.8 billion. Sources of revenue for the projects included user fees and government subsidies. Blue Water Iron Ore Terminal Private Limited, a US\$119 million dry bulk seaport terminal, also closed financing in the first semester of 2011.

In **Sub-Saharan Africa**, there was one road project in South Africa: a 15-year toll concession for the construction, operation and eventual transfer of additional Border facilities at the Beitbridge Border Post between South Africa and Zimbabwe.

In the **Middle East and North Africa**, no new project reached financial closure during the first semester of 2011.

Table 1: Transport projects reaching financial or contractual closure in the first semester of 2011

Note: .. denotes missing data; n.a. means not applicable.

East Asia and Pacific									
	Country	Project name	Project status	Subsector	Type/subtype of private participation	Investment commitment (US\$ millions)	Capacity type	Capacity	Sponsor
1	China	Lianyungang New Century Liquid Chemical Port	Construction	Seaports	Greenfield (BOT)	91.7	n. a.	n. a.	Tadee Group (China)
2	China	Berths No.1 and No.2 of the Meishan Container Port	Operational	Seaports	Greenfield (BOT)	30	Throughput (thousands)	..	PSA Corp (Singapore)

Europe and Central Asia									
	Country	Project name	Project status	Subsector	Type/subtype of private participation	Investment commitment (US\$ millions)	Capacity type	Capacity	Sponsor
1	Turkey	Zafer Airport	Construction	Airports	Greenfield (BOT)	71.65	Number of runways	1	IC Holding (100% / Turkey)

Latin America and the Caribbean									
	Country	Project name	Project status	Subsector	Type/subtype of private participation	Investment commitment (US\$ millions)	Capacity type	Capacity	Sponsor
1	Argentina	Santa Fe-Rosario Highway	Operational	Roads	Concession (ROT)	..	KM	157	Arssa (100% / Argentina)
2	Brazil	São Paulo Rodoanel Sul e Leste	Operational	Roads	Concession (BROT)	2221.5	KM	103.8	Grupo Bertin (100% / Brazil)
3	Brazil	Brasil Terminal Portuario	Construction	Seaports	Greenfield (BLT)	845	Throughput (thousands)	1100	AP Moller - Maersk Group (50% / Denmark)
4	Chile	El Loa de Calama Airport II	Operational	Airports	Concession (BROT)	34	Number of runways	1	Agunsa (100% / Chile)
5	Mexico	Autovia Urbana Sur	Construction	Roads	Greenfield (BOT)	524	KM	21	ICA SA de CV (30% / Mexico), Impulsora Del Desarrollo Y El Empleo En América Latina SA de CV (IDEAL) (70% / Mexico)
6	Peru	Lima Electric Train – Line I	Construction	Railroads	Greenfield (BOT)	290	KM	11.7	Graña y Montero SA (Peru)
7	Peru	Callao Terminal Norte (Phases I and II)	Operational	Seaports	Concession (BROT)	313	Throughput (thousands)	1600	AP Moller - Maersk Group (51% / Denmark)
8	Peru	Aeropuertos del Sur	Operational	Airports	Concession (BROT)	257	Number of runways	6	Corporacion America (CASA) (50% / Argentina), Andino Investment Holding (50% / Peru)

South Asia									
	Country	Project name	Project status	Subsector	Type/subtype of private participation	Investment commitment (US\$ millions)	Capacity type	Capacity	Sponsor
1	India	Blue Water Iron Ore Terminal Private Limited	Construction	Seaports	Greenfield (BOT)	119.2	Throughput (thousands)	10000	Noble Group Ltd (51% / Hong Kong, China), Gammon India Ltd (31% / India), MMTC Limited (18% / India)
2	India	L&T Hyderabad Metro Rail Private Limited	Construction	Railroads	Greenfield (BOT)	3315.5	KM	71.16	Larsen & Toubro Limited (100% / India)
3	India	GVRMP Whagdhari Ribbanpally Tollway Private Limited	Operational	Roads	Concession (BROT)	90	KM	141.2	GVR Group (India), RMN Infrastructure Limited (25% / India), Prathyusha Group (India)
4	India	Soma Isolux Varanasi Aurangabad Tollway Private Limited	Operational	Roads	Concession (BROT)	876.5	KM	192.4	Isolux Corsan (50% / Spain), Soma Enterprise Ltd (50% / India)
5	India	Topworth Tollways (Ujjain) Private Limited	Operational	Roads	Concession (BROT)	49.3	KM	95.2	Topworth Group (India), Metallurgical Corporation of China (China)
6	India	IRB Tumkur Chitradurga Tollway Private Limited	Operational	Roads	Concession (BROT)	728.5	KM	114	IRB Infrastructure Developers Ltd (100% / India)
7	India	Transstroy Trichy Karaikudi Tollways Private Limited	Operational	Roads	Concession (BROT)	68.7	KM	110.4	Transstroy India Limited (74% / India), OJSC Corporation Transstroy, (26% / Russian Federation)
8	India	Transstroy Dindigul Theni Kumli Tollways Private Limited	Operational	Roads	Concession (BROT)	73.6	KM	134	OJSC Corporation Transstroy, (26% / Russian Federation), Transstroy India Limited (74% / India)
9	India	Sion Panvel Tollways Private Limited	Operational	Roads	Concession (BROT)	379	KM	23	IVRCL Infrastructures & Projects Ltd. (51% / India)
10	India	Ashoka Sambalpur Baragarh Tollways Private Limited	Operational	Roads	Concession (BROT)	258.5	KM	88	Ashoka Buildcon Ltd (100% / India)

11	India	Navayuga Quazigund Expressway Private Limited	Operational	Roads	Concession (BROT)	558.6	KM	15.25	Navayuga Group (100% / India)
12	India	North Bihar Highway Limited	Operational	Roads	Concession (BROT)	145.8	KM	86	BSCPL Infrastructure Ltd (50% / India), C&C Constructions Ltd (50% / India)
13	India	K M Toll Road Private Limited	Operational	Roads	Concession (BROT)	260	KM	71	Reliance ADA Group (100% / India)
14	India	SP Jammu Udhampur Highway Private Limited	Operational	Roads	Concession (BROT)	533.3	KM	65	Shapoorji Pallonji Group (100% / India)
15	India	Ghaziabad Aligarh Expressway Private Limited	Operational	Roads	Concession (BROT)	516.7	KM	126	SREI Infrastructure Finance Ltd (India), PNC Infratech Ltd (India), Galfar Engineering & Contracting SAOG (Galfar) (25% / Oman)
16	India	Navayuga Jahnvi Toll Bridge Private Limited	Construction	Roads	Greenfield (BOT)	355.5	KM	51	Navayuga Group (100% / India)
17	India	GVK Deoli Kota Expressway Private Limited	Operational	Roads	Concession (BROT)	342.8	KM	83	GVK Group (100% / India)
18	India	Bhubaneswar Expressways Private Limited	Construction	Roads	Greenfield (BOT)	120.2	KM	67	Valecha Engineering Limited (40% / India), KazStroyService Group (60% / Kazakhstan)
19	India	Transstroy Bhopal Bypass Tollway Private Limited	Construction	Roads	Concession (BROT)	106.7	KM	52	Transstroy India Limited (100% / India)
20	India	Abhijeet Hazaribagh Toll Road Limited	Operational	Roads	Concession (BROT)	139.3	KM	41.3	Abhijeet Group (100% / India)
21	India	Essel Ahmedabad Godhra Toll Roads Limited	Operational	Roads	Concession (BROT)	280.7	KM	117.6	Essel Group (74% / India), China Railway Construction 18th Bureau (Group) Co., Ltd (26% / China)
22	India	Mumbai Metro - Phase II	Construction	Railroads	Greenfield (BOT)	2514.8	KM	32	Reliance ADA Group (74% / India), SNC Lavalin (26% / Canada)

Sub-Saharan Africa									
	Country	Project name	Project status	Subsector	Type/subtype of private participation	Investment commitment (US\$ millions)	Capacity type	Capacity	Sponsor
1	South Africa/ Zimbabwe	Beitbridge Border Post	Construction	Roads	Concession (BROT)	97	KM	..	Old Mutual (South Africa), Nedbank Capital (South Africa), Sanlam (South Africa)

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

*in current US\$ millions

Source: World Bank and PPIAF, PPI Database.