

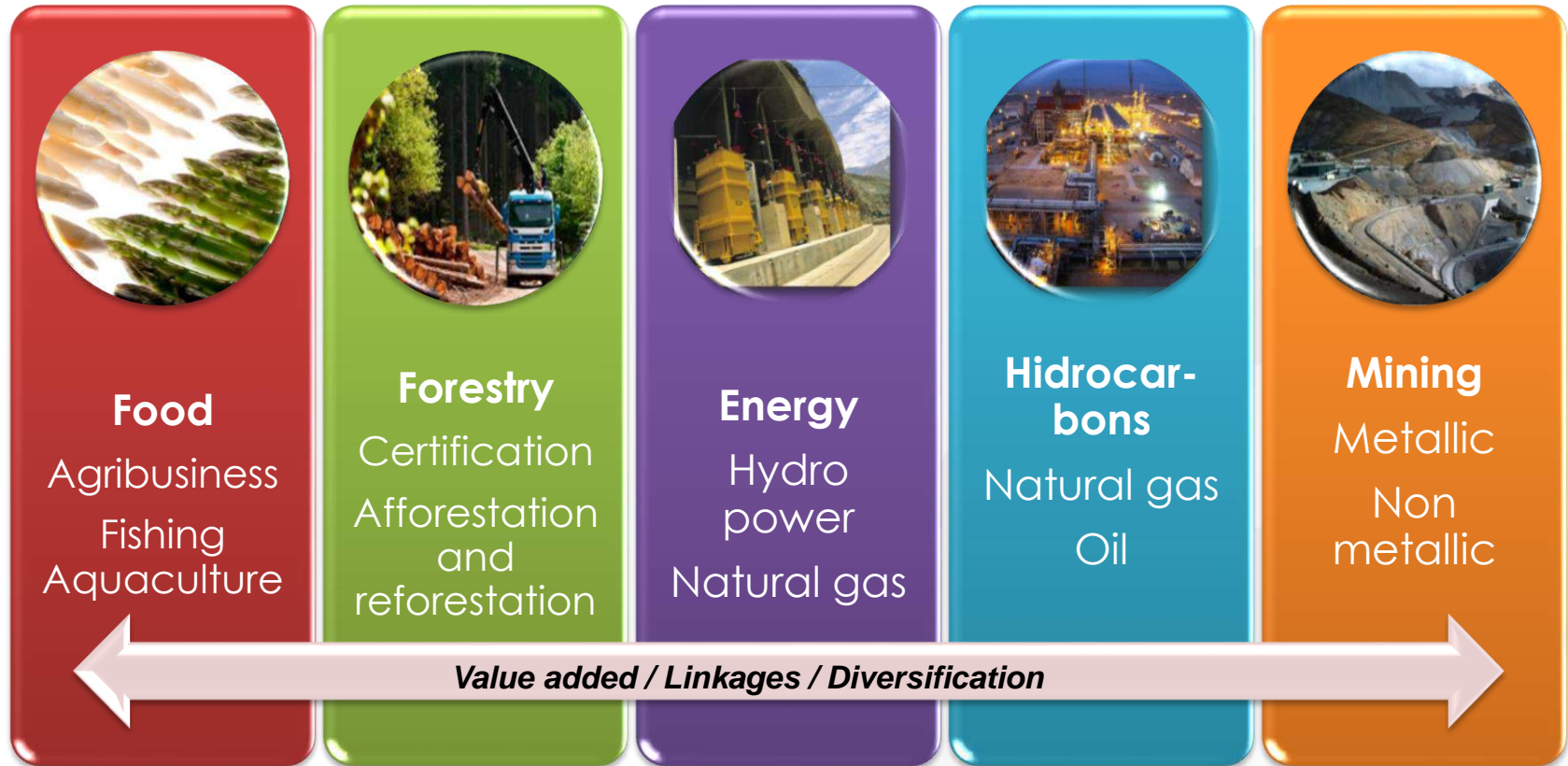
# ***Investment Opportunities in Public Infrastructure 2016- 2018***

***Carlos Herrera  
Executive Director  
PROINVERSION***



- The State Agency for Private Investment Promotion.
- **Promotes PPPs projects in infrastructure and public services.**
- **Offers guidance services for investors.**

# Areas with high investment potential



**Food Processing**

**Construction Industry**

**Petrochemical Gas-chemical**

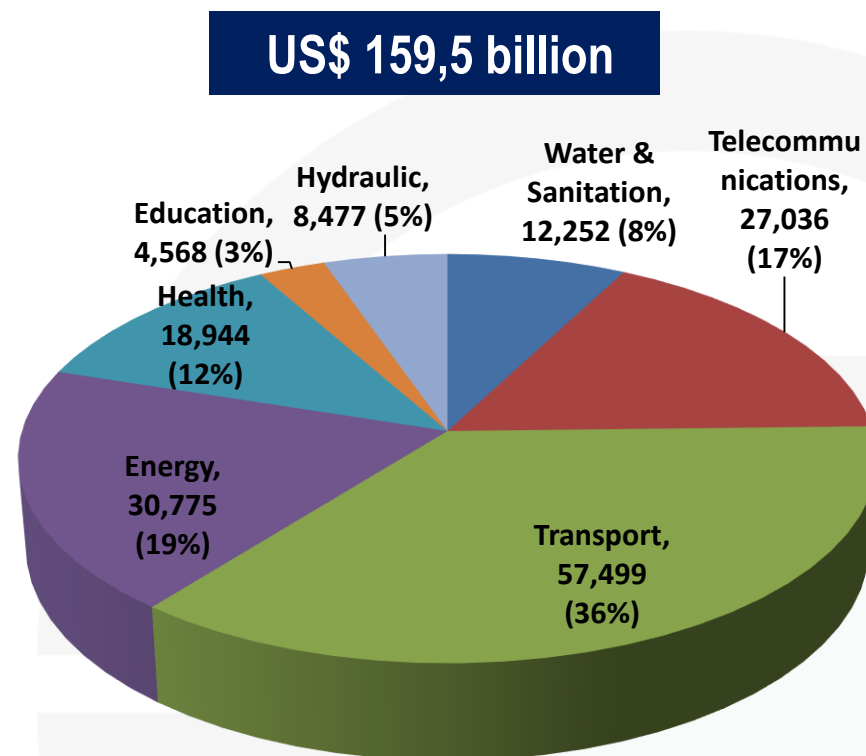
**Metallurgical Industry**

# PPPs Projects to reduce infrastructure gap

**Challenge: to reduce the long term gap in infrastructure (2016 -2025) \***

**Medium and Long term Infrastructure gap  
(Millions US\$ of 2015)**

Sector	Medium term 2016-2020	Gap 2021-2025	Long term 2016-2025
Water and Sanitation	6,970	5,282	12,252
Telecom	12,603	14,432	27,036
Transportation	21,253	36,246	57,499
Energy	11,388	19,387	30,775
Health	9,472	9,472	18,944
Education	2,592	1,976	4,568
Hydraulic	4,537	3,940	8,477
<b>TOTAL</b>	<b>68,815</b>	<b>90,735</b>	<b>159,551</b>



\* Source: Association for the Promotion of National Infrastructure - AFIN (by its Spanish acronym) – Infrastructure National Plan 2016-2025

## MAIN CHARACTERISTICS

**INFRASTRUCTURE  
PROJECTS AND  
PUBLIC SERVICES  
PROFILE**



**HIGH STANDARDS OF QUALITY AND SERVICES**

**SOCIAL AND ENVIRONMENTAL ACCEPTANCE**

**SUITABLE RISK DISTRIBUTION**

## MAIN CHARACTERISTICS

**ABOUT  
CONCESSION  
PROCESSES**



**PUBLIC AND TRANSPARENT PROCESS**

**TECHNICAL AND FINANCIAL FEASIBILITY**

**BANKABILITY**

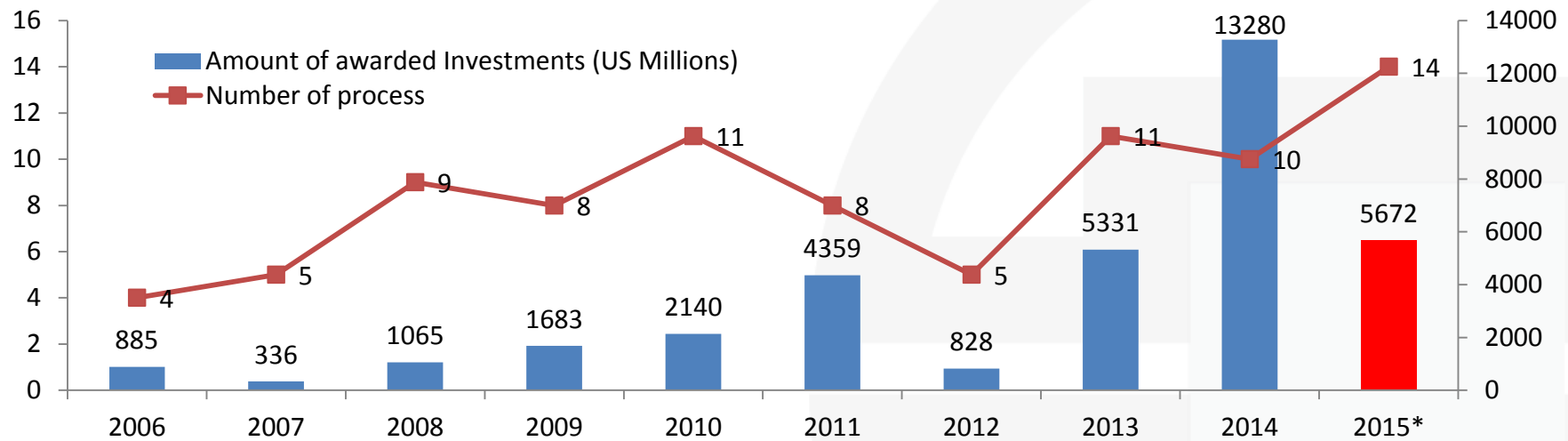
**INTERACTION WITH THE MARKET (FEEDBACK)**

**TECHNICAL, FINANCIAL AND LEGAL  
REQUIREMENTS (BIDDERS)**

# Infrastructure

- **34 PPP projects for USD 23.8 billion awarded in the last 4 years**
- **4 Mega projects: Line 2 of the Metro of Lima, South Peruvian Gas Pipeline, Chavimochic irrigation project and Chinchero International Airport in Cusco**

**PPP awarded by ProlInversión 2006-2015**  
(Investment amounts in US millions + VAT )



# Project Portfolio

Projects	Estimated investment (USD million)	Estimated Award Date
<a href="#"><u>Main Works and Conduction of Drinking Water Supply for Lima</u></a>	600	Q II 2016
<a href="#"><u>Longitudinal de la Sierra highway, Section 4</u></a>	446	Q II 2016
<a href="#"><u>San Gaban 3 hydro power station</u></a>	380	Q II 2016
<a href="#"><u>Mass Use of Natural Gas for the Center and South of Peru</u></a>	350	Q II 2016
<a href="#"><u>LPG Supply System for Lima and Callao</u></a>	310	Q II 2016
<a href="#"><u>Huancayo – Huancavelica Railway</u></a>	220	Q II 2016
<a href="#"><u>Three new high-complexity hospitals</u></a>	400	Q IV 2016
<a href="#"><u>Longitudinal de la Sierra highway, Section 5</u></a>	-	Q IV 2016
<a href="#"><u>Michiquillay (mining) Project</u></a>	Under evaluation	2016
<a href="#"><u>Port Terminals</u></a>	-	2016
<a href="#"><u>Line 3 and 4 of the Metro of Lima and Callao</u></a>	5,000 (c/u)	2017 / 2018



# Main Works and Conduction of Drinking Water Supply for Lima

**CALLED**



- Design, financing, construction, operation and maintenance
- Works:
  - Re-enlargement of 2dams
  - Trans-Andean tunnel (about 10 Km)
  - New drinking water plant (5 m<sup>3</sup>/s)
  - South branch pipeline (about 40 Km)
  - Interconnection lines (90 Km approx)
- Operation and maintenance of the following facilities:
  - Huachipa Intake (12 m<sup>3</sup>/s)
  - Huachipa I drinking water plant (5 m<sup>3</sup>/s)
  - North branch pipeline (27.1 Km)
- Type of concession : Self-financed
- Estimated investment: US\$ 600 million
- Concession period: 30 years
- Award: Q II 2016

# “Longitudinal de la Sierra” Highway, Section 4

**CALLED**



Execution of upgrade and rehabilitation works (117 Km), initial periodic maintenance (280 Km); and subsequent maintenance and operation of the **970 Km** highway, of this important national highway connecting 12 departments and runs the Andean regions from end to end.

- **Estimated Investment** : US\$ 446 million\*
- **Type of concession** : Co-financed
- **Concession period**: 25 years

**Estimated date of award**: Q II 2016

\* VAT not included nor routine and periodic operation and maintenance

# San Gaban 3 Hydro Power Plant

**UNDER EVALUATION**



- An unsolicited proposal
- Design, construction, operation, financing and maintenance
- Capacity: 205.8 MW
- Production 1.256 GWh/year.
- Estimated Investment: US\$ 380 million
- Award : Q II 2016

# Mass Use of Natural Gas for the Center and South of Peru

**ALLED**



Design, financing, construction, operation and maintenance.

Pipelines network in 07 regions of Peru:

Type of concession : Self-financed

Estimated Investment: US\$ 350 million

Concession period: 32 years

Award: Q II 2016

# LPG Supply System for Lima and Callao



Design, financing, construction, operation and maintenance.

LPG Transportation System (200 km)

Storage and dispatch

Type of concession: Self –financed

Concession period: 23 years

Estimated investment: US\$ 310 million

Award: Q II 2016

# Huancayo - Huancavelica Railway

**CALLED**



 Central Railway  
 Huancayo - Huancavelica Railway  
 South Railway

- Comprehensive rehabilitation of the 128 Km of the existing railway.
- Works:
  - ✓ Extension of 38 tunnels Railway upgrade
  - ✓ Purchase of rolling stock
  - ✓ Reinforcement of 15 railway bridges
  - ✓ Extension of 38 tunnels
  - ✓ Upgrades to signaling and telecommunication systems
  - ✓ Draining works
- Type of concession: Co-financed
- Estimated investment: US\$ 220 million
- Award: Q II 2016

# Three New High-complexity Hospitals

**TO BE CALLED**



- Design, construction, equipment, operation and maintenance of three hospitals
- Provision of complementary services
- Estimated Investment: US\$400 million
- Award: Q IV 2016

# “Longitudinal de la Sierra” Highway, Section 5

**TO BE CALLED**



Initial periodic maintenance, operation and maintenance of **422 Km** of the road that links Cusco with Puno.

- **Estimated Investment:** Under evaluation
- **Type of concession :** Co-financed

**Estimated date of award:** Q IV 2016



# Michiquillay Project

**UNDER EVALUATION**



## Unsolicited proposal

Socio-environmental proposal, resettlement, exploration, engineering, construction and exploitation of Michiquillay's copper deposits.

- Estimated Investment: Under evaluation
- Type: Self-financed
- Area of influence: Communities of Michiquillay and La Encañada, Province and Department of Cajamarca.

Estimated date of award: 2016

## UNDER EVALUATION



- Self-sustained unsolicited proposals:
  1. **Salaverry:** Upgrading and development of Salaverry multipurpose terminal.
  2. **Chimbote:** Design, finance, construction, operation and maintenance of the container terminal.
  3. **Ilo:** Development and operation of Ilo multipurpose terminal.

**Award: 2016**

# Lines 3 and 4 of the Metro of Lima and Callao

**TO BE CALLED**

**Line 3**

**Line 4**



**Lima and Callao**

- Line 1: Under Operation
- Line 2: Under Construction

Co financed DFBOT project

Two independent bids

3.5 million of passengers (Line 3 and 4)

	Line 3	Line 4
Length	32 Km	30 Km
Award	2017	2018



**ProInversión**

Agencia de Promoción de la Inversión Privada - Perú



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