AUSTRALIA
PPP MARKET



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InfraPPP Reports

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1. INTRODUCTION



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1.1. Introduction

Australia

Australia presents a **very reliable investment market** for PPP projects, which are vital to the development of infrastructure in the country.

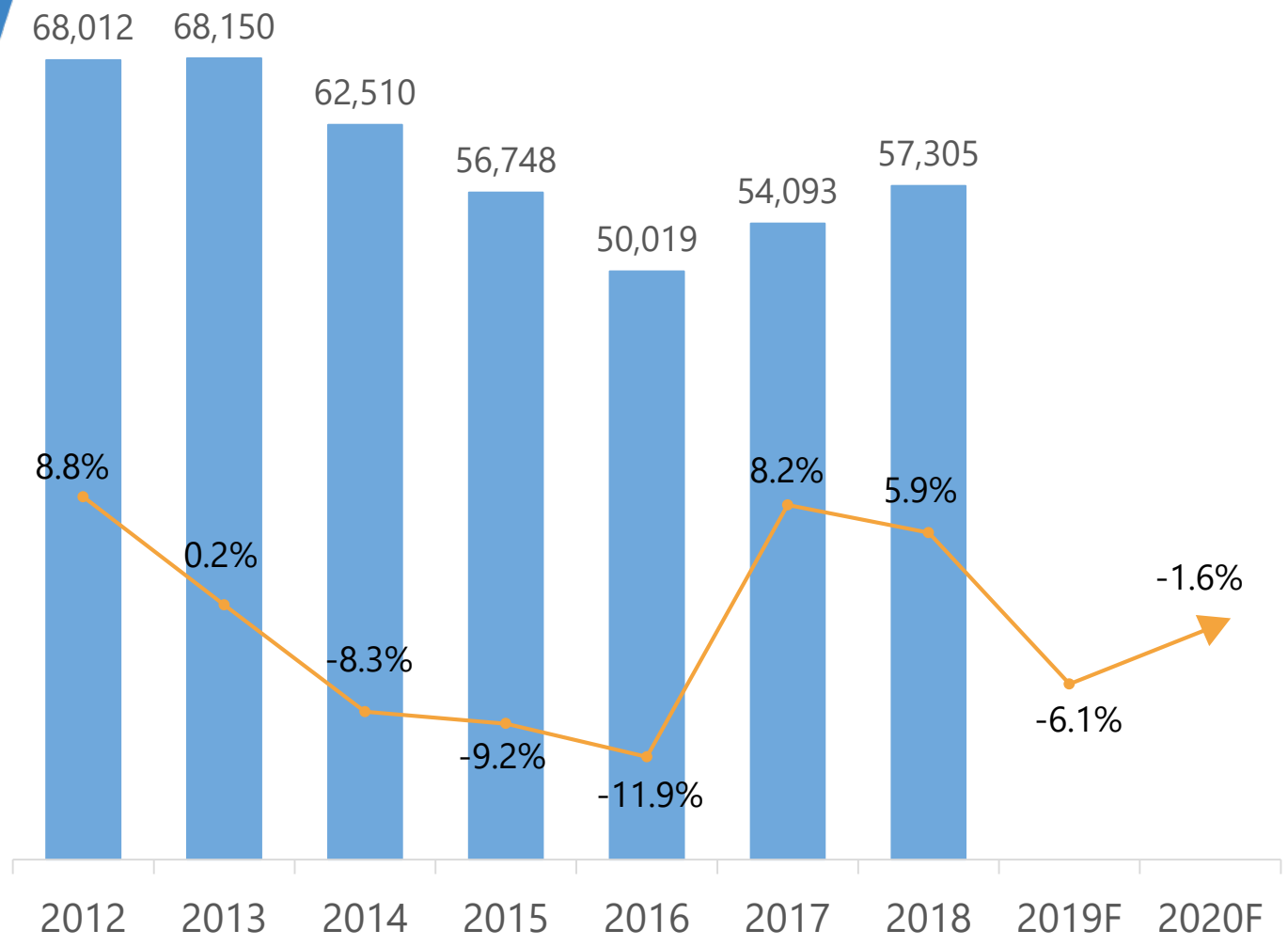
The National PPP Policy and Guidelines provide a **consistent framework** for the public and private sector to work together. The treasury departments of some states have also issued their own PPP guidelines. Furthermore, the central state and territory governments produce strategic infrastructure plans.

The country presents a **strong pipeline** of PPP projects since the establishment of the National PPP Policy Framework in 2008. In 2019 investment in PPP projects reached an amount of USD 69 billion, after USD 27.7 billion in 2018 and USD 2.3 billion in 2017.

Source: Government of Australia, InfraPPP World

1.2. GDP per capita. Australia.

USD and growth (%). 2012 – 2020F



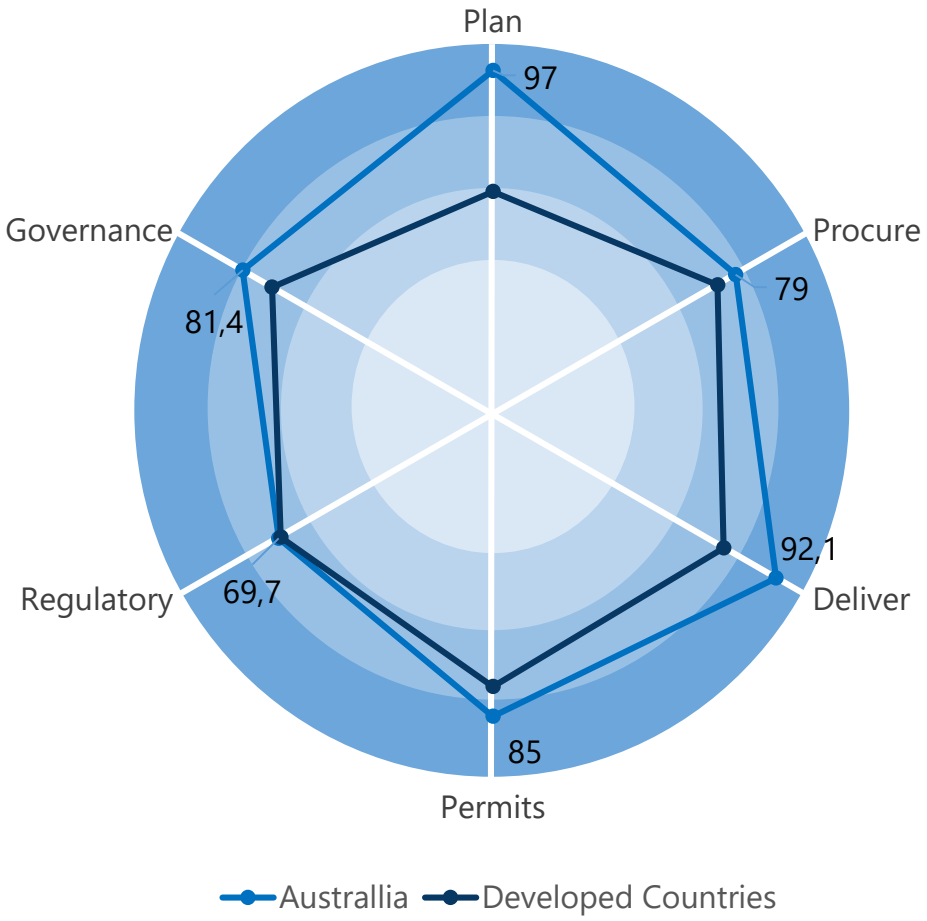
Source: World Bank Data

Although the economic track in Australia **lost momentum** from 2012 to 2016, with a peak decrease of 11.9% in 2016, the economy **has managed to recover** during the last years. Besides, after another drop in 2019, forecasts show a **slow but constant growth** for the following years.

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1.3. PPP Score.

Infracompass. Australia, 2019 (1-100)



Australia's scores across the infrastructure policy and delivery domains are generally above the average levels recorded across other developed countries on all aspects, which shows a **great performance**. The country gets its higher score in the Plan dimension and the lowest in the Regulatory dimension.

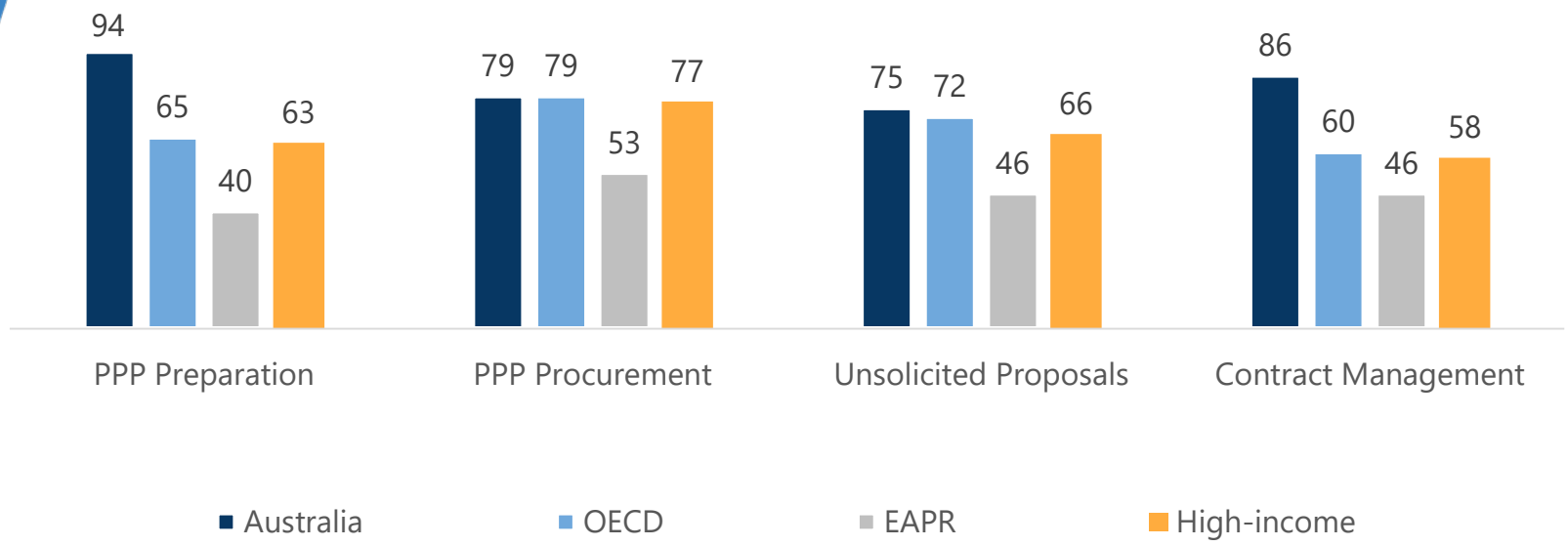
Source: Infracompass – Global Infrastructure Hub

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1.4. Procuring Infrastructure PPP projects

PPP Regulatory Framework score

Australia, OECD, East Asia and Pacific Region (EAPR) and High-income countries



Australia has its best scores in both PPP Preparation and Contract Management, quite **above all the rest**.

The country **performed well** in PPP Procurement and Unsolicited Proposals, with scores close to OECD's.

Note: The possible scores range from 0 to 100. The economies with the highest scores, nearing 100, are considered to have a PPP framework that is closely aligned with international PPP good practices.

Source: Procuring PPP projects Report. 2018

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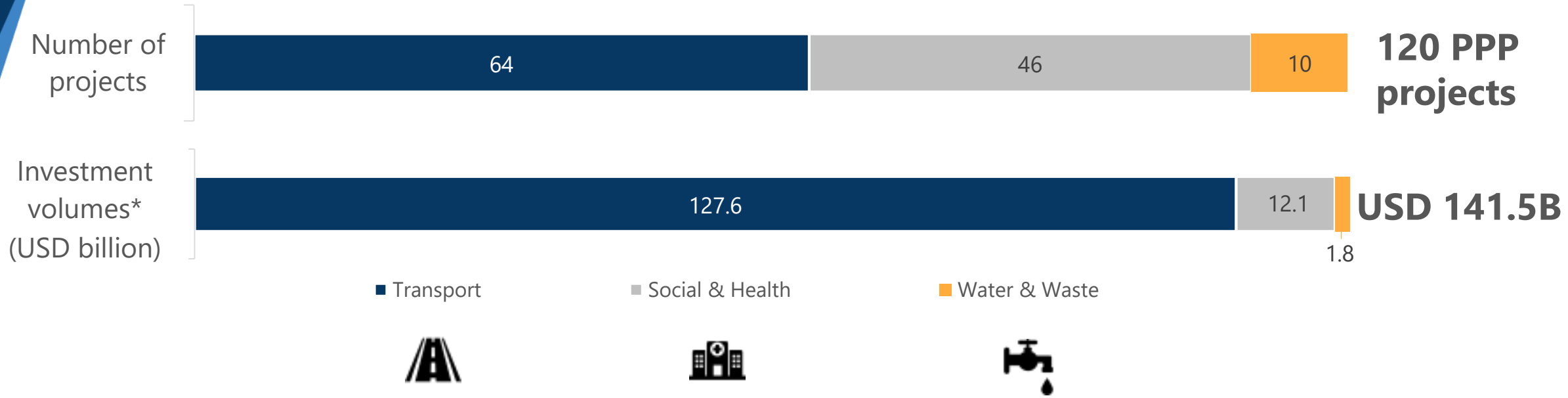
2. PPP ACTIVITY



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2.1. PPP Project portfolio by sector (Australia)

Number of projects and investment volumes* in USD



Transport sector leads the PPP market in the country in both number of projects and investment volumes (64 PPP projects and USD 127.6 billion). **Social & Health** and **Water & Waste** share the remaining part of the market.

Note: The total amount of projects and investment involve all the projects in different stages until December 2019.

*Not all projects' financial data available

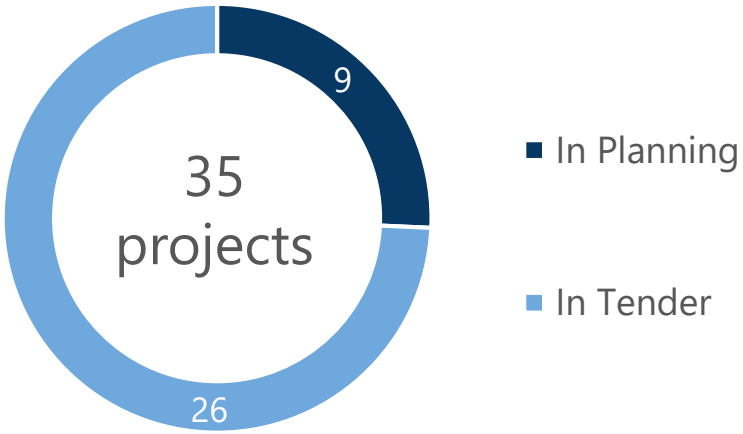
Source: InfraPPP World Project Database 2019

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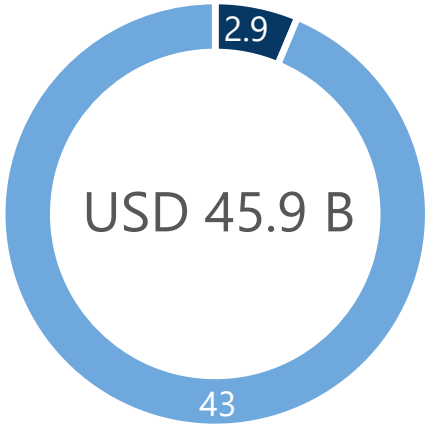
2.2. PPP Project portfolio by stage (Australia)

Projects in pipeline (in planning + in tender*)

Number of projects



Investment volumes** (USD billion)



Australia has a pipeline composed of **35 PPP projects**, involving a total forecasted investment of **USD 45.9 billion**:

- **In planning**: 9 projects – USD 2.9 billion.
- **In tender**: 26 projects - USD 43 billion.

*PPP projects at planning or tender stage.

**Not all projects' financial data available

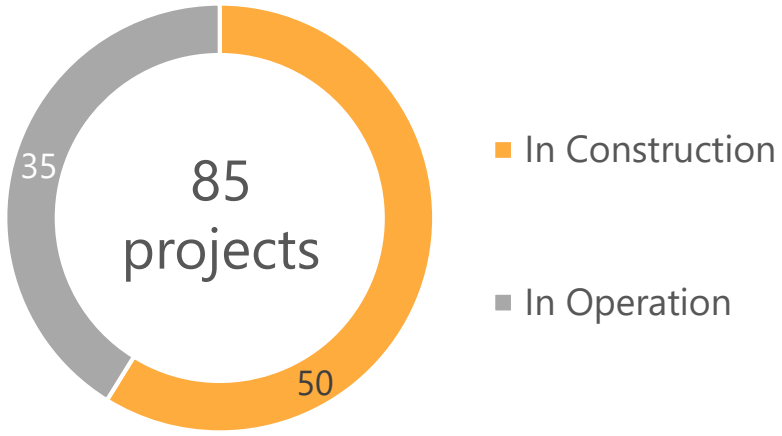
Source: InfraPPP World Project Database 2019

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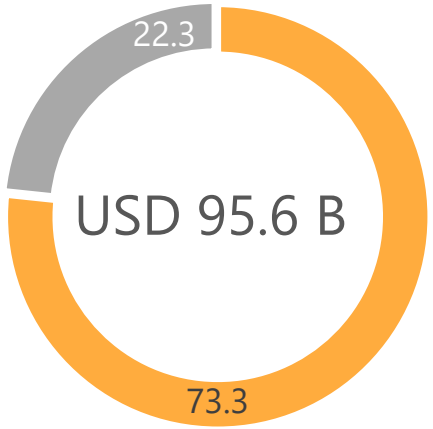
2.3. PPP Project portfolio by stage (Australia)

Active projects (in construction + in operation)

Number of projects



Investment volumes* (USD billion)



Australia has a total of **85 active PPP** projects, involving a total investment of **USD 95.6 billion**:

- **In construction**: 50 projects - USD 73.3 billion.
- **In operation**: 35 project - USD 22.3 billion.

*Not all projects' financial data available

Source: InfraPPP World Project Database 2019

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3. TOP COUNTRIES





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3.1. Top PPP regional competitors.

PPP Activity and investment volumes* in USD 2018-2019

	 **PHILIPPINES**	 **INDIA**	 **CHINA**	 **INDONESIA**
PPP projects in Pipeline	Number: 43 Value: USD 31.5B	Number: 23 Value: USD 6B	Number: 4 Value: USD 1B	Number: 29 Value: USD 6.5B
PPP projects active	Number: 47 Value: USD 40B	Number: 76 Value: USD 22B	Number: 70 Value: USD 38B	Number: 6 Value: USD 2.5B

*Not all projects' financial data available

Source: InfraPPP World Project Database 2019

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4. TOP PROJECTS



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4.1. TOP PPP projects in pipeline. Australia.

Biggest projects in pipeline by investment volume – 2018/19

Source: InfraPPP World Project Database 2019

Suburban Rail Loop PPP Project in Melbourne



- **Country: Australia**
- **Sector: Railway**
- **Stage: In tender**
- **Value: USD 34.5 B**
- **Description:**

Development of a new underground rail link Suburban Rail Loop, a 90km rail line circling Melbourne's suburbs with 12 new stations connecting every major railway line from the Frankston to the Werribee line via Melbourne Airport.

North East Link road PPP project in Melbourne



- **Country: Australia**
- **Sector: Road**
- **Stage: In tender**
- **Value: USD 5.7 B**
- **Description:**

Design, construction, financing, operation and maintenance of a new 7km freeway between Watsonia and Bulleen Road; twin three-lane tunnels, passing under Banyule Flats and the Yarra River; and new interchanges at Manningham and Lower Plenty Rd.

Inland Rail Gowrie-Kagaru PPP project in Queensland



- **Country: Australia**
- **Sector: Railway**
- **Stage: In tender**
- **Value: USD 1.2 B**
- **Description:**

Design, construction, financing and maintenance of a 130km freight railway connecting Gowrie to Kagaru. The railway includes approximately 130km of new dual gauge rail track, 11 passing loops and three rail tunnels near Toowoomba.

Footscray Hospital PPP project in Melbourne



- **Country: Australia**
- **Sector: Hospital**
- **Stage: In tender**
- **Value: USD 1.1 B**
- **Description:**

Development of new 504-bed Footscray Hospital proposed to be built next to Victoria University's Footscray Park campus, on the corner of Geelong and Ballarat Roads in Melbourne.

4.2. TOP PPP active projects. Australia.

Biggest active projects by investment volume – 2018/19

Source: InfraPPP World Project Database 2019

Melbourne Port Lease Transaction



- **Country: Australia**
- **Sector: Port**
- **Stage: Financial close**
- **Value: USD 7.5 B**
- **Description:**

The Victorian State Government will offer a medium-term lease to operate the Port of Melbourne.

The Port of Melbourne accounts for up to 35 per cent of Australia's container trade.

West Gate Tunnel PPP in Melbourne



- **Country: Australia**
- **Sector: Road**
- **Stage: Signed**
- **Value: USD 5 B**
- **Description:**

The project will include: widening the West Gate Freeway from 8 to 12 lanes and include express lanes between the M80 and the West Gate Bridge, reducing weaving and merging that leads to traffic congestion.

Melbourne Metro Rail PPP Project



- **Country: Australia**
- **Sector: Railway**
- **Stage: Financial Close**
- **Value: USD 4.6 B**
- **Description:**

Development of two 9-kilometers rail tunnels from South Kensington to South Yarra, travelling underneath Swanston Street in the Central Business District, as part of a new Sunbury to Cranbourne/Pakenham line.

Western Sydney Airport PPP Project



- **Country: Australia**
- **Sector: Airport**
- **Stage: Awarded**
- **Value: USD 2.4 B**
- **Description:**

The project will be developed at Badgerys Creek, in western Sydney. Sydney Airport Holdings Ltd has the right of first refusal to develop and operate it.



5. TOP PLAYERS



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5.1. TOP PPP projects Players (Australia)

Number of deals* and investment value** - 2018/19



PROJECT OWNERS

- Plenary: 5 Deals. USD 4.5 B
- Pacific Partnerships: 4 Deals. USD 5.8 B
- Macquarie: 4 Deals. USD 1.5 B
- DIF Fund: 4 Deals. USD 1.4 B

FINANCIAL ADVISORS

- KPMG: 2 Deals.
- Tollplus: 2 Deals.
- Plenary: 2 Deals.
- Paxon Group: 1 Deal.

LENDERS

- Bank of China: 3 Deals.
- Mihuzo Bank: 3 Deals.
- CEFC: 2 Deals.
- Westpac Bank: 2 Deals.

*Deals: Operations involving PPP projects

**Not all projects' financial data available

Source: InfraPPP World Project Database 2019

If you are interested in getting more details of Australia's projects, click the image below to visit our **PPP Reports section** and download this report's projects spreadsheet:

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The **excel spreadsheet lists all of the PPP projects** in development in Australia in the InfraPPP database.

Projects are organised by stage, with listings spanning from projects in planning to those in operation.

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