



# Leveraging the Swedish Export Credit system to increase Swedish value in high potential EPC led projects in South East Asia & India

South East Asia and India, January 2021

# Team Sweden EPC program - Asia

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# The purpose of the study is to identify high potential contractors and projects to target with Swedish ECA financing with the goal to increase Swedish content



## INFRASTRUCTURE INVESTMENT TRENDS

Overview of infrastructure investment in SEA / India

- Trend in size of investment, USD
  - Financed from what sources / what countries?
  - Openness / experience from using export credit financing (country credit rating, EKN rating, etc.).
  - Investment by sector/industry
  - Sustainability rating / sustainability plans in place?



## EPC CONTRACTOR MAPPING

Identification & analysis of high potential EPC Contractors

- Size of operations (revenue, USD)
- Nationality
- Industry verticals presence
- Key projects being undertaken
- Need for Swedish solutions
- Usage of competitive products?
- Experience of project financing
- Interest / potential to use Swedish SEK/EKN solutions (credit rating, etc.)



## PROJECT MAPPING

Deeper analysis of high potential EPC Contractor projects

- Characteristics of projects (sector, value, etc.)
- Timelines for projects
- Model for project (state investment / private / BOT)
- Planned source of financing
- Responsible stakeholders
- EPCs sustainability processes

## RECOMMENDATIONS & ACTION PLAN

# The study focuses on 5 infrastructure sectors and 5 countries in Asia Pacific which show the best potential and synergies to Swedish suppliers

## COUNTRY SCOPE

### South East Asia



*Vietnam*



*Thailand*



*Indonesia*



*Philippines*

### South Asia



*India*

## SECTOR SCOPE



*Transport infrastructure*



*Energy infrastructure*



*Oil & Gas*



*WWT & Solid waste*



*Construction*

# Agenda

- **Executive Summary**
- Infrastructure Investment Trends
- EPC Contractor Mapping
- Project Mapping
- Recommendations and Action plans



# Rapid growth in ASEAN & India combined with weak financial position makes it attractive to target these markets with ECA funding



## STRONGER GROWTH

Emerging countries show **stronger future growth** in infrastructure investment compared to mature economies such as Japan & Korea

Infrastructure industry, value and growth  
2019, bn USD/2019-2025, %

Mature

		Value	Growth
	Japan	97	2%
	South Korea	29	3%

Emerging

	India	69	6%
	Thailand	4	8%
	Vietnam	4	9%
	Indonesia	63	10%
	Philippines	8	10%



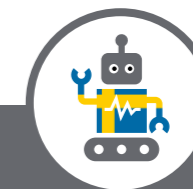
## EXTENSIVE USE OF EXTERNAL LOANS

Emerging countries have negative NIIP index i.e. **net external liabilities**, while mature economies are creditor nations and thus financially self-sufficient

Net International Investment Position  
2019, bn USD

	Japan	3,339
	South Korea	501

	Vietnam	N/A
	Thailand	-1
	Philippines	-35
	Indonesia	-339
	India	-430



## FAIR USE OF SWEDISH CONTENT

Compared to mature markets, **Swedish content in many emerging markets is on par**; if this share can be defended as emerging markets grow, Swedish export potential is high

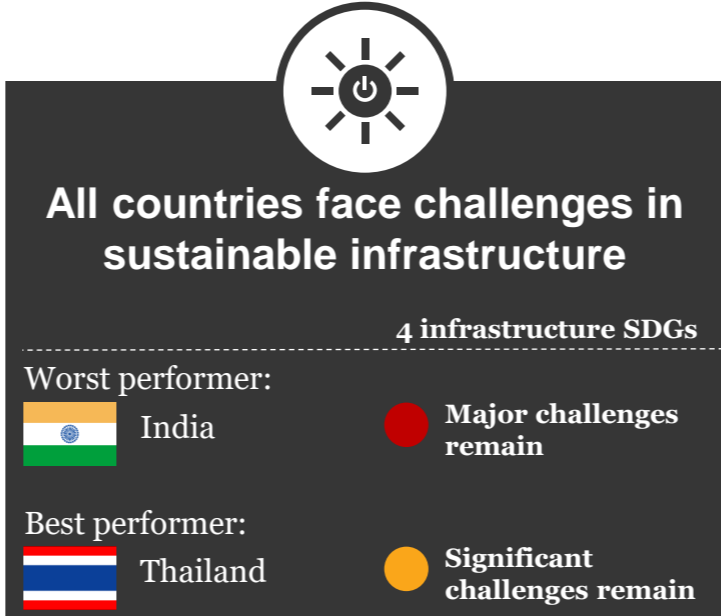
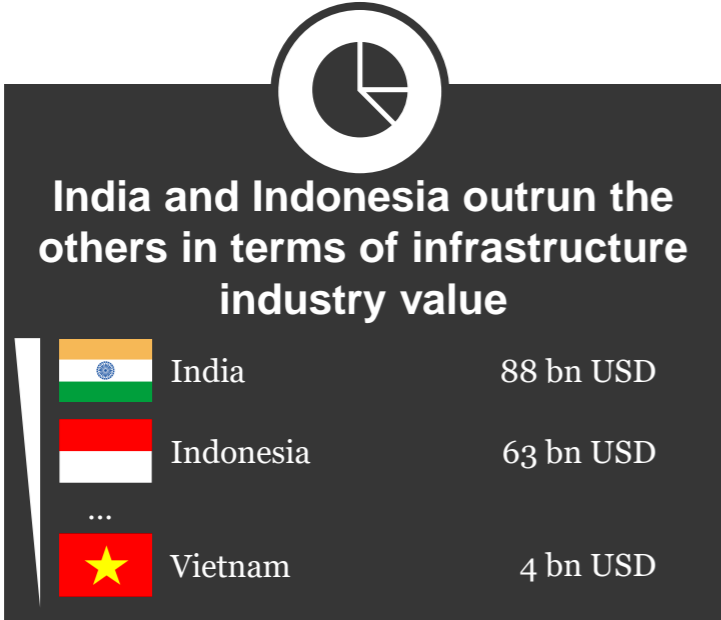
Export from Sweden\* over Infrastructure industry value  
2019, mn USD

		Export / Industry	Ratio (/100)	
	Japan	800 / 97,000	<b>0.81</b>	} Defend against competition
	S. Korea	800 / 29,000	<b>2.73</b>	
	Vietnam	100 / 4,000	<b>2.53</b>	
	Thailand	400 / 4,000	<b>9.38</b>	} Increase Swedish share
	Philippines	100 / 8,000	<b>0.9</b>	
	Indonesia	200 / 63,000	<b>0.35</b>	
	India	600 / 88,000	<b>0.69</b>	

Source: BMI, IMF, SCB

\* Export of products/solutions specifically in infrastructure sectors, average from 2015-2019

# India and Indonesia vastly larger markets as SEA markets lead future growth expectations; sustainability & credit rating issues remain similar across markets



# Larger markets are less reliant on foreign financing and contractors than smaller peers; need to articulate Swedish ECA USP in face of tough Asian competition

RELATIVE LEVEL OF FOREIGN FINANCING

Markets where infrastructure is largely financed and influenced by foreign institutions and the market is dominated by foreign private players



Philippines



Foreign-  
contractors



Private  
contractors

Markets with balanced mix of local and foreign financing and contractors; private players are more common in Thailand than in Vietnam



Thailand



Domestic  
contractors



Foreign  
contractors



Private  
dominated



Vietnam



State  
dominated

Large markets with considerable domestic financing options (although large ODA in absolute terms) and large & well-developed local contractors



India



Domestic-  
contractors



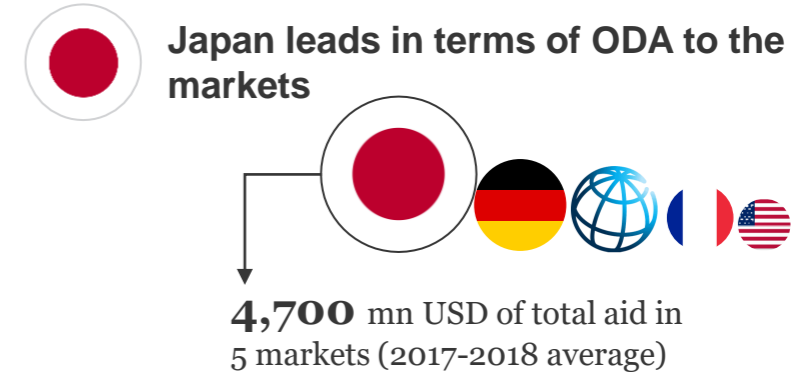
Private  
dominated



Indonesia



State  
dominated



China is a growing force in infrastructure financing

Railway is the most focused sector

Long-term agreements to strengthen cooperation

Prevailing loan interest rates













# Medium scale contractors see potential to use finance for local projects; larger contractors in IN, ID & TH look to finance projects in developing markets

More interest/  
potential

## POTENTIAL TO PROMOTE SWEDISH EXPORT CREDIT FINANCING

Less interest/  
potential

	MEDIUM-SIZED LOCAL CONTRACTORS	LARGE REGIONAL CONTRACTORS	SMALL-SIZED LOCAL CONTRACTORS	INTERNATIONAL CONTRACTORS
Examples				
Turnover	> 30 mn USD < 500 mn USD	> 500 mn USD	< 30 mn USD	bn USD +++
Shortlisted/ Total Contractors	13/~1,000	11/~60	0/~thousands	0/ N/A
Swedish Product Usage	 Medium	 Medium/High	 Low	 Low/Medium
Potential	Companies with decent market position and credit rating who want to use ECA financing as USP to expand on local market	Primarily want to use ECA to pitch weaker project owners in developing countries (Laos, Cambodia, Ghana, etc.)	Companies with weaker market position lacking credit rating or capabilities to take on larger debt	Foreign contractors tend to use financing from their home countries (South Korea, Japan, etc.), often tied to minimum content from those countries

# Local EPCs are familiar with Swedish products and solutions, but have low awareness of how Swedish ECA financing works


AWARENESS ON SWEDISH OFFERINGS



**Swedish solutions**



**Fair awareness and usage** by EPC contractors in most of the covered markets




**Swedish export credit**

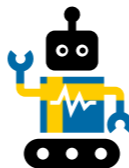


**Very low awareness of Swedish Export Credit** solutions among most EPC contractors and local Swedish subsidiaries


“It’s interesting to know that Sweden also offers export credit, we would like to further discuss how to collaborate with SEK/EKN in Vietnam”

Market Manager  
ABB, Vietnam



CHALLENGES




**Content requirement**



Common concern among almost all EPC contractors is how to reach mandatory **30% Swedish content requirement**



**Competition**



Questions about how the Swedish credits compare to the very favorable lending terms offered by **Japan, China and South Korea** are prevalent in discussions

“The Japanese Government has also agreed to provide financing for us; however, we still need more funding complete the rest of the project”

Hutama Karya, Indonesia

# Both project owners and EPC contractors are involved in project financing – often contractors use ECA financing to “pitch” to project owners and aren’t loan-takers

## *EPC Contractors use export credits to...*

Credit beneficiary	Focus Market	Level of frequency	EPC Contractor involvement in decision making
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### Pitch to project owner

1

EPC Contractor offers export credit arrangement as financing solution to the project owner, either unsolicited or through a formal bidding process

**Project Owner**

All Markets (except Thailand)



### Finance its own project

2

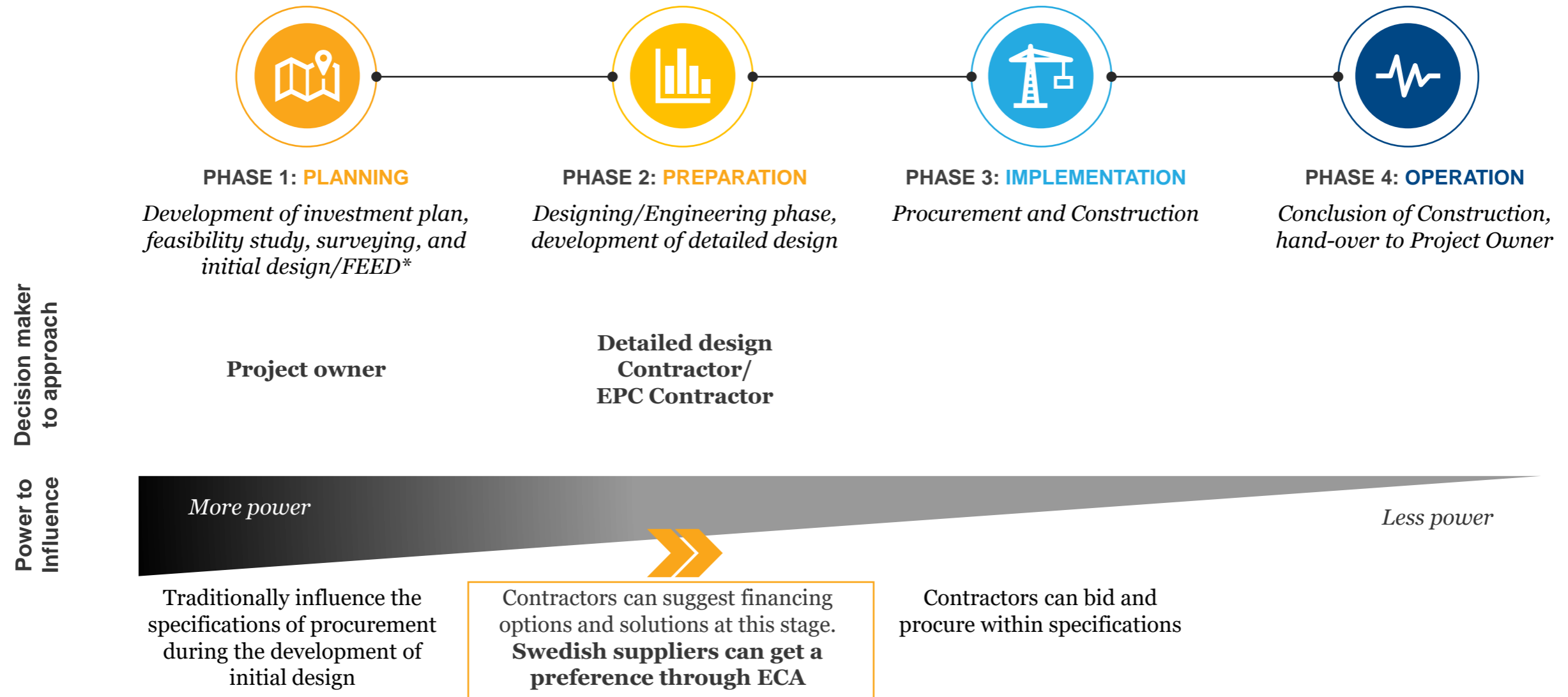
EPC Contractor takes the role of project owner as well as EPC builder, e.g. IPP\* in energy generation project, to finance the building/supply portion of the project

**Project Owner/  
EPC contractor**



Note: ECA = Export Credit Agency  
\* Independent Power Producer

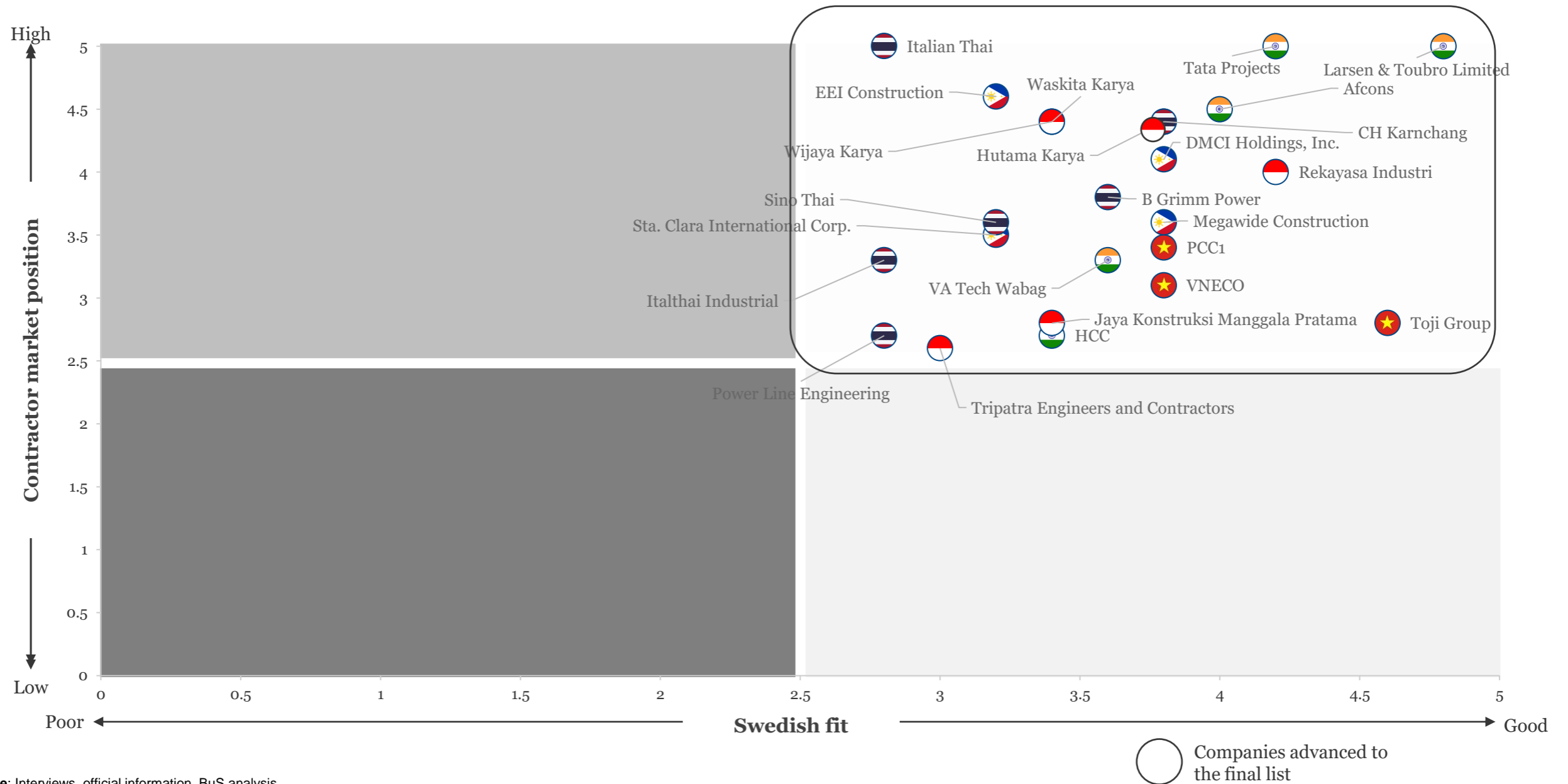
# Important to engage stakeholders early to be able to influence project planning and preparation – both critical steps to be able to secure >30% Swedish content



**Team Sweden** can be a game-changer by positioning Swedish suppliers as a part of an ECA offer, stipulating >30% Swedish content in projects.

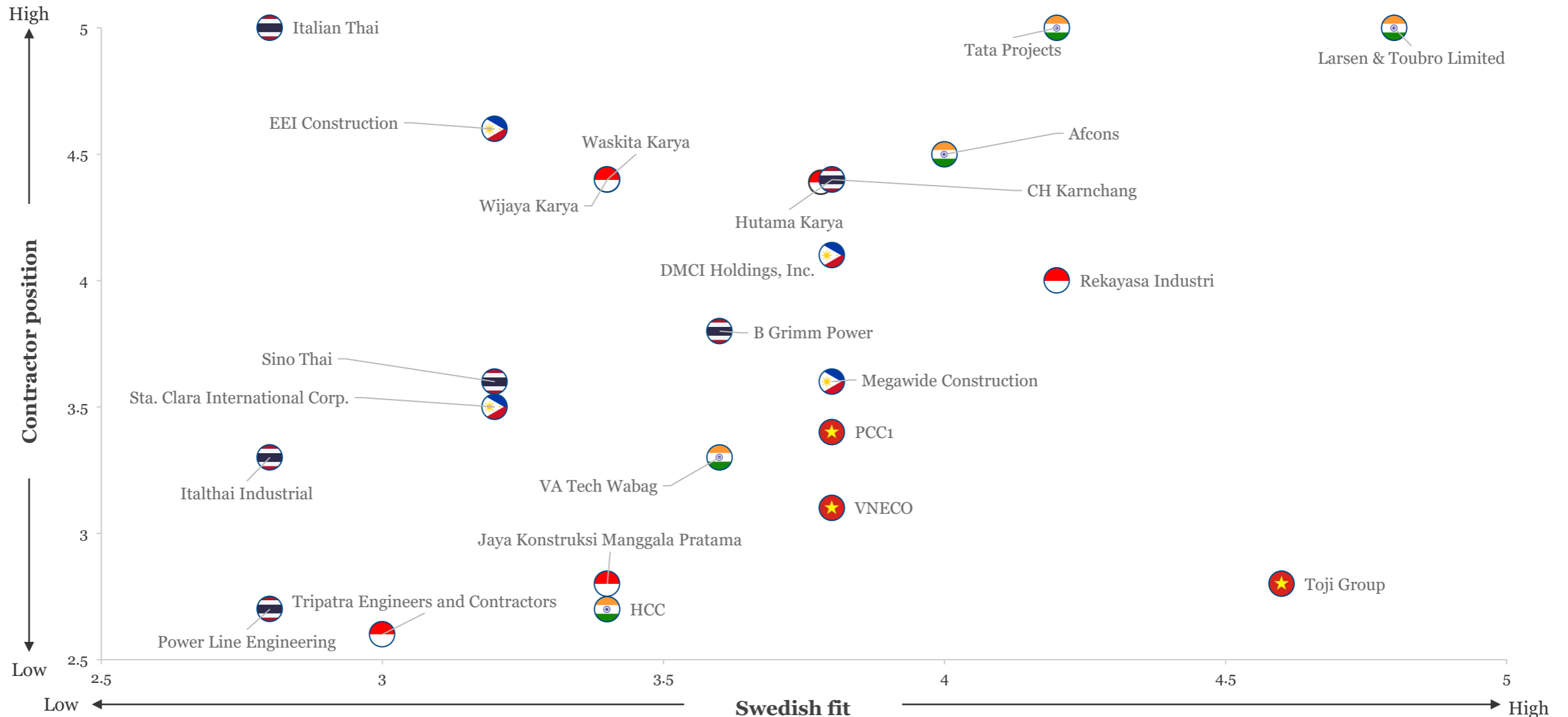
\* Front-End Engineering Design

# Based on our mapping of EPCs market position and fit with the Swedish offer, 24 contractors demonstrating high potential are shortlisted for future engagement











Source: Interviews, official information, BuS analysis

# A few contractors from India and Indonesia rank in the very top, but several contractors from other countries are also among shortlisted players



















Source: Interviews, official information, BuS analysis








# More than 25 quality projects associated with shortlisted contractors – many of them are high-profile undertakings with a demand for premium solutions

LOCAL PROJECTS	
 Indonesia 4 projects	
 Thailand 4 projects	
 Philippines 3 projects	
 Vietnam 5 projects	

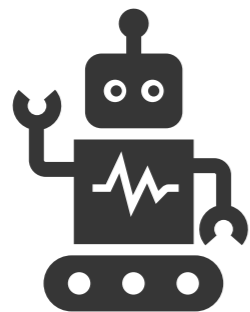
OVERSEAS PROJECTS	
 India 3 projects	
 Indonesia 7 projects	

 **Strong demand for advanced technology and global expertise in most projects**

HIGHLIGHTED PROJECTS IN EACH COUNTRY					
Project name	Country	Investment (BUSD)	Source of funding	Sector	Contractors involved
Toll Trans Sumatra		34	PPP		Hutama Karya
Indonesia new capital		33	PPP (TBD)		Hutama Karya
U-Tapao airport and eastern aviation city		9	PPP		Sino Thai
Bangkok mass rapid transit (Extension of purple and orange lines)		8	BOT		Sino Thai, Italian Thai
New Manila International Airport (NMIA)		15	Private		TBA
Ninoy Aquino International Airport (NAIA) Rehabilitation Project		2,1	Private		Megawide
Ghana Railway Project		0,35	Exim Bank of India		Afcons
Phong Huy/Phong Nguyen/Lien Lap Wind Power		0,22	Private		PCC1

 = Oil & Gas  
  = Airports  
  = Transport links  
  = Renewable energy  
  = Transmission line  
  = Railway  
  = Sustainable Cities

# As we look forward in this programme, we believe that we need to keep four key things in mind



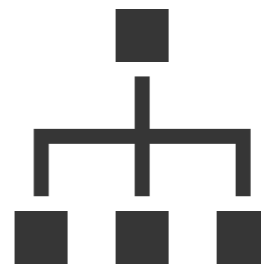
**Focus on high-technology projects where competitive advantage is the highest**

Especially projects requiring advanced solutions not easily imitated where leading Swedish suppliers can play an “anchoring” role



**Target medium-to-large contractors to maintain and grow Swedish content**

Focus on larger contractors in Indonesia, India and Thailand, and on medium contractors in all countries, where experience in project financing and sustainability processes are in place



**Deploy multi-stakeholder approach in early project phase to gain influence**

Key to keep dialogue with the contractor, arranging bank and project owner



**Educate stakeholders on Swedish ECA financing**

To guide contractors on how to achieve content requirement and to counter bids with competing financing solutions

**TEAM SWEDEN CAN SUPPORT COMPANIES THROUGHOUT THIS PROCESS**


















# In Southeast Asia, a two-step approach is recommended to further qualify identified opportunities and initiate a deal pursuit to convert prioritized projects

## PHASE 1: BUSINESS SWEDEN INITIAL REACHOUT & SCREENING OF EPCS Q1/Q2 2021

## PHASE 2: DEAL PURSUIT Q2/Q4 2021


ACTIVITY

Project name	Country	Investment (BUSD)	Sector	Contractors involved
Toll Trans Sumatra		34		Hutama Karya
Indonesia new capital		33		Hutama Karya
U-Tapao airport and eastern aviation city		9		Sino Thai
Bangkok mass rapid transit (Extension of purple and orange lines)		8		Sino Thai, Italian Thai
New Manila International Airport (NMIA)		15		TBA
Ninoy Aquino International Airport (NAA) Rehabilitation Project		2,1		Megawide
Phong Huy/Phong Nguyen/Lien Lap Wind Power		0,22		PCC1




**Focus and identification**

- Target EPCs in Indonesia, Thailand, Philippines and Vietnam
- Reach out to EPCs to investigate interest in Swedish financing and solutions



**Initiate discussions**

- Arrange EPC meetings with EKN and SEK and the Swedish suppliers
- Identify and qualify project opportunity



**Matchmaking event**

- Establish network and conduct matchmaking with preferred EPC partners and international banks

TEAM SWEDEN



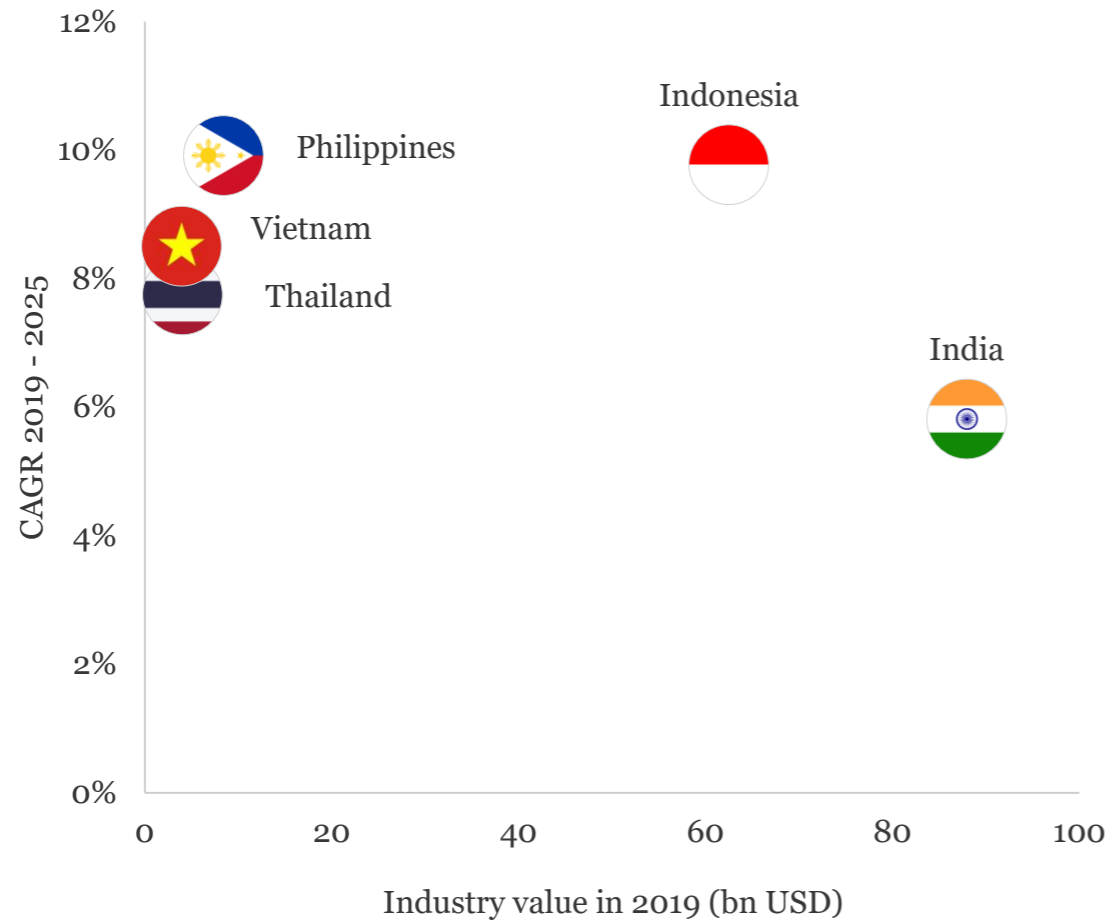
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- Executive Summary
- **Infrastructure Investment Trends**
- EPC Contractor Mapping
- Project Mapping
- Recommendations and Action plans

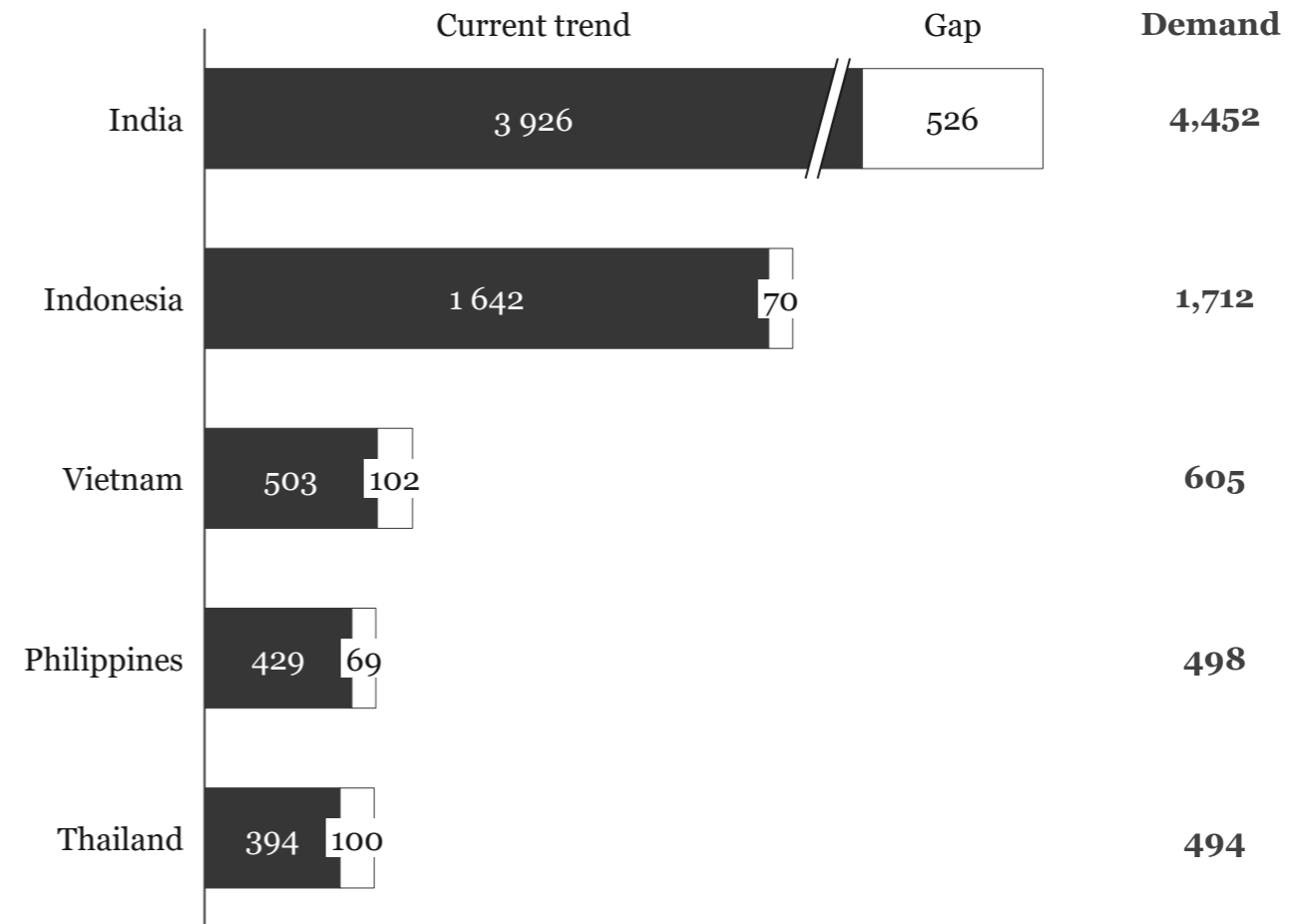


# SEA & India's infrastructure industry have grown steadily as a result of rapid economic development – much investment is still needed to address the gap

SIZE & FUTURE GROWTH OF INFRASTRUCTURE SECTORS



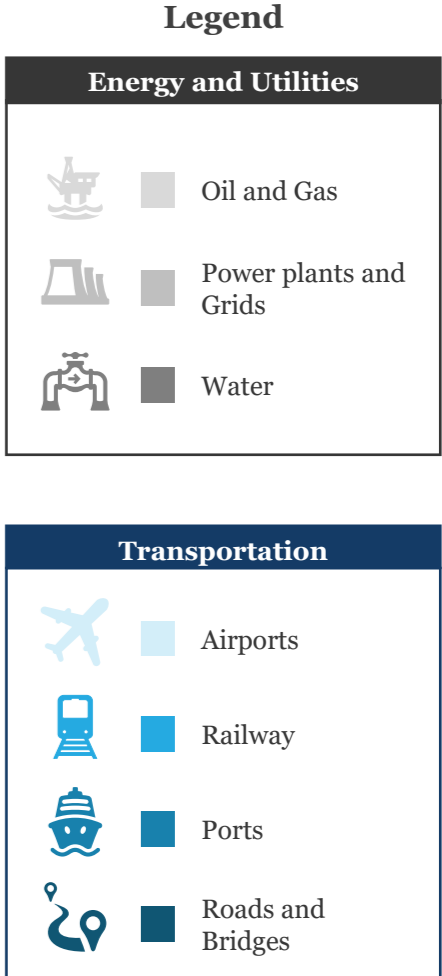
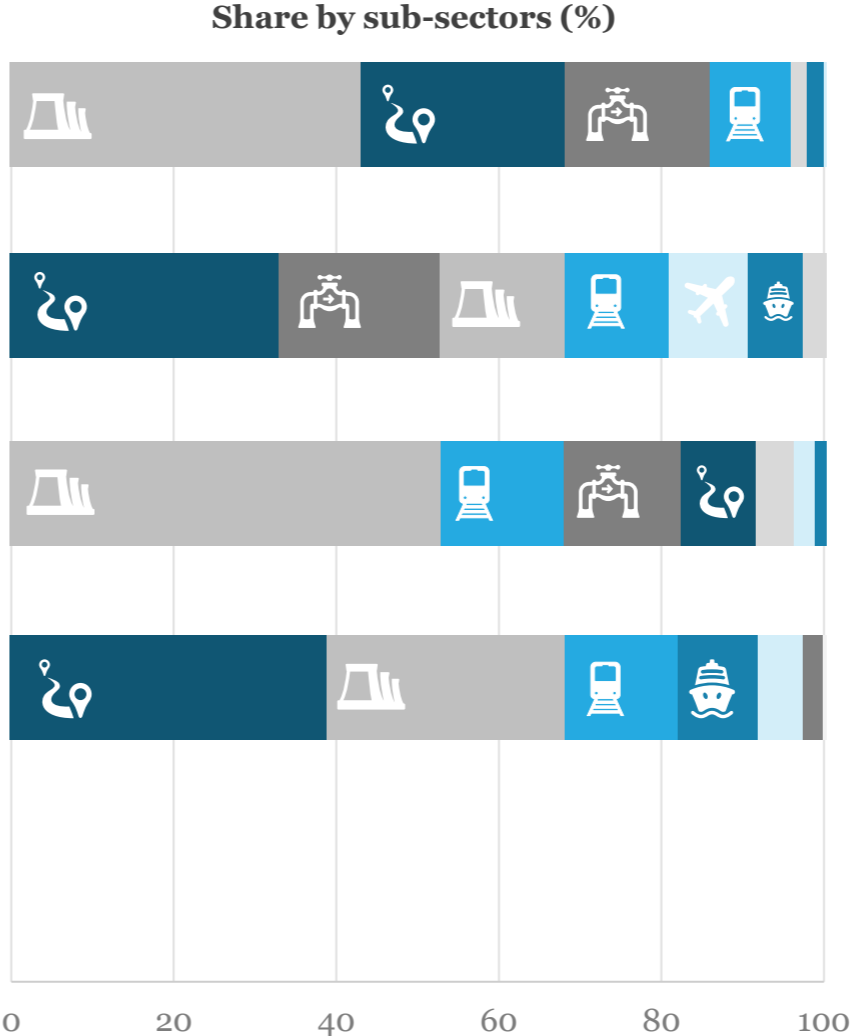
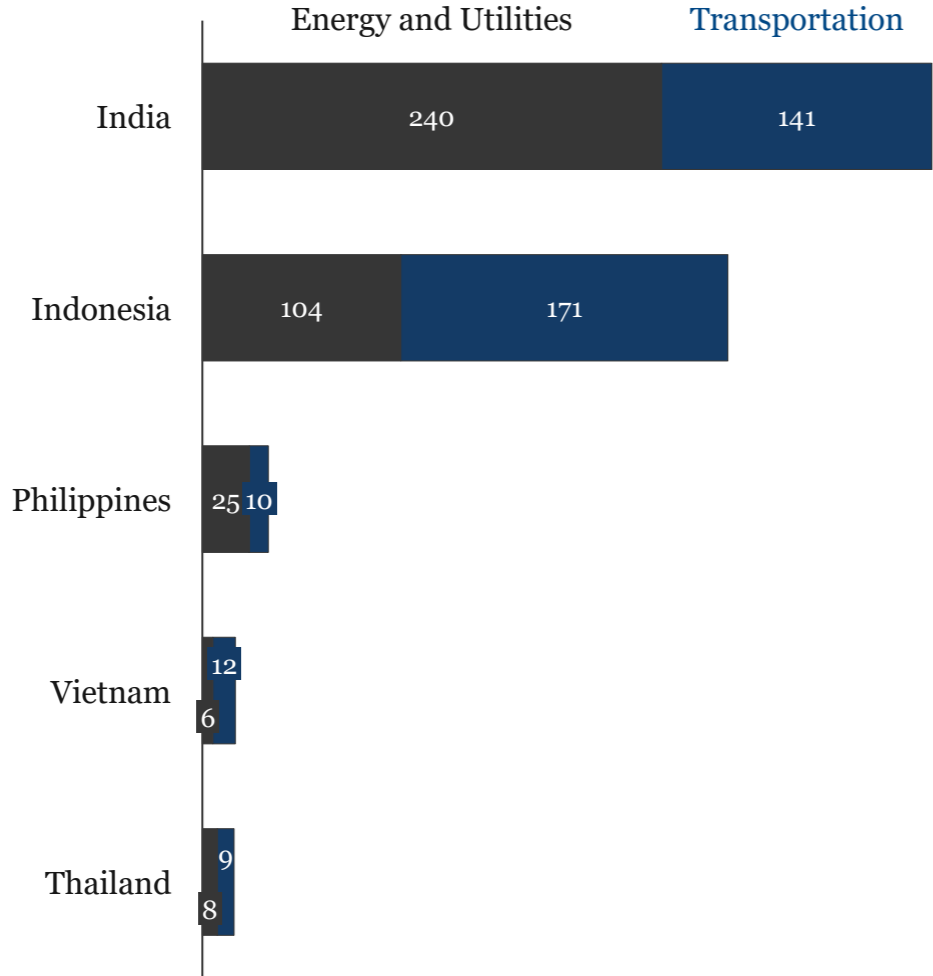
CURRENT INFRASTRUCTURE INVESTMENT TRENDS AND NEEDS  
2016 – 2040, bn USD



Source: BMI, Infrastructure Outlook

# India and the Philippines focus largely on energy and utilities projects, while Indonesia and Vietnam prioritize transportation projects

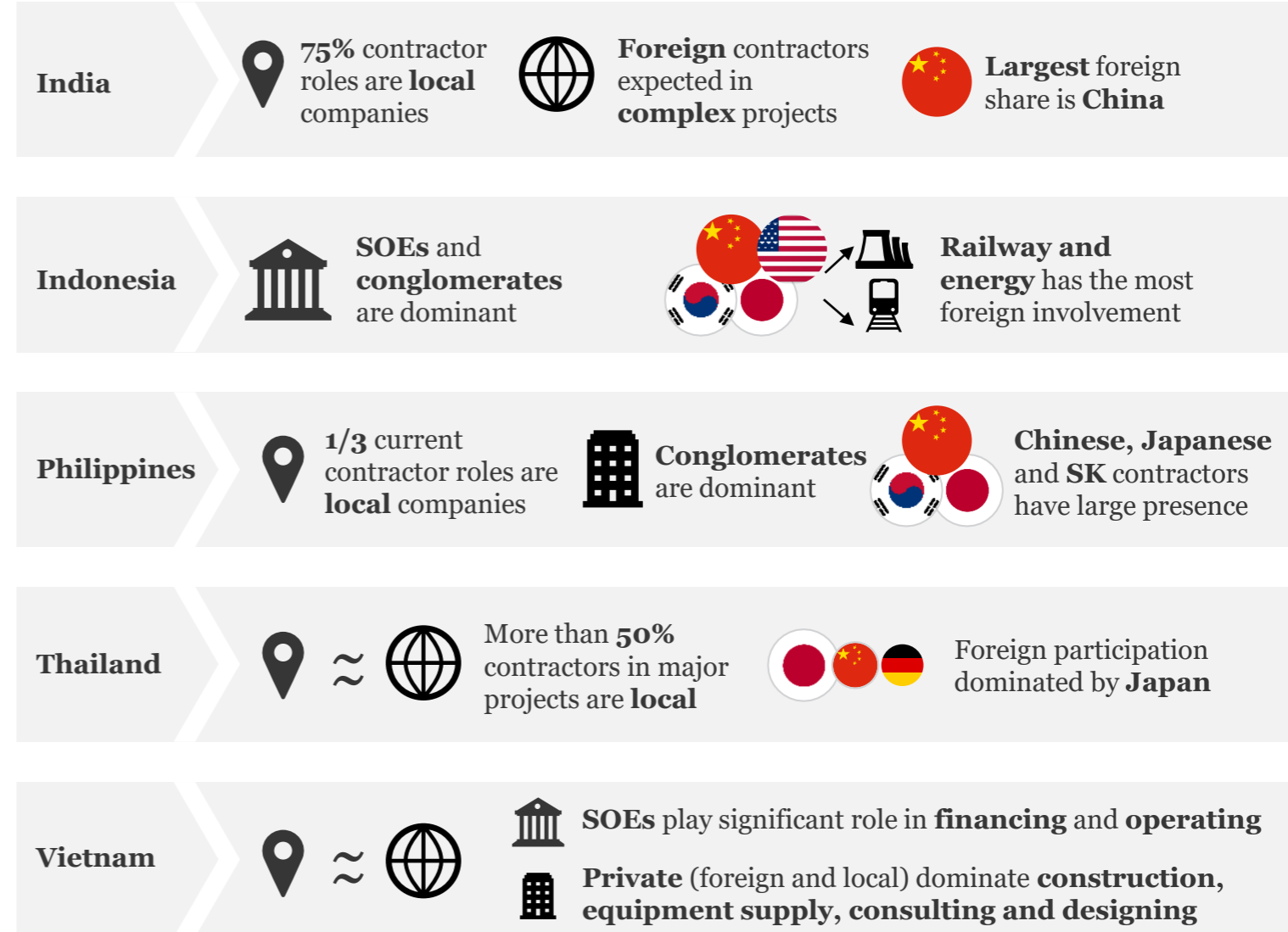
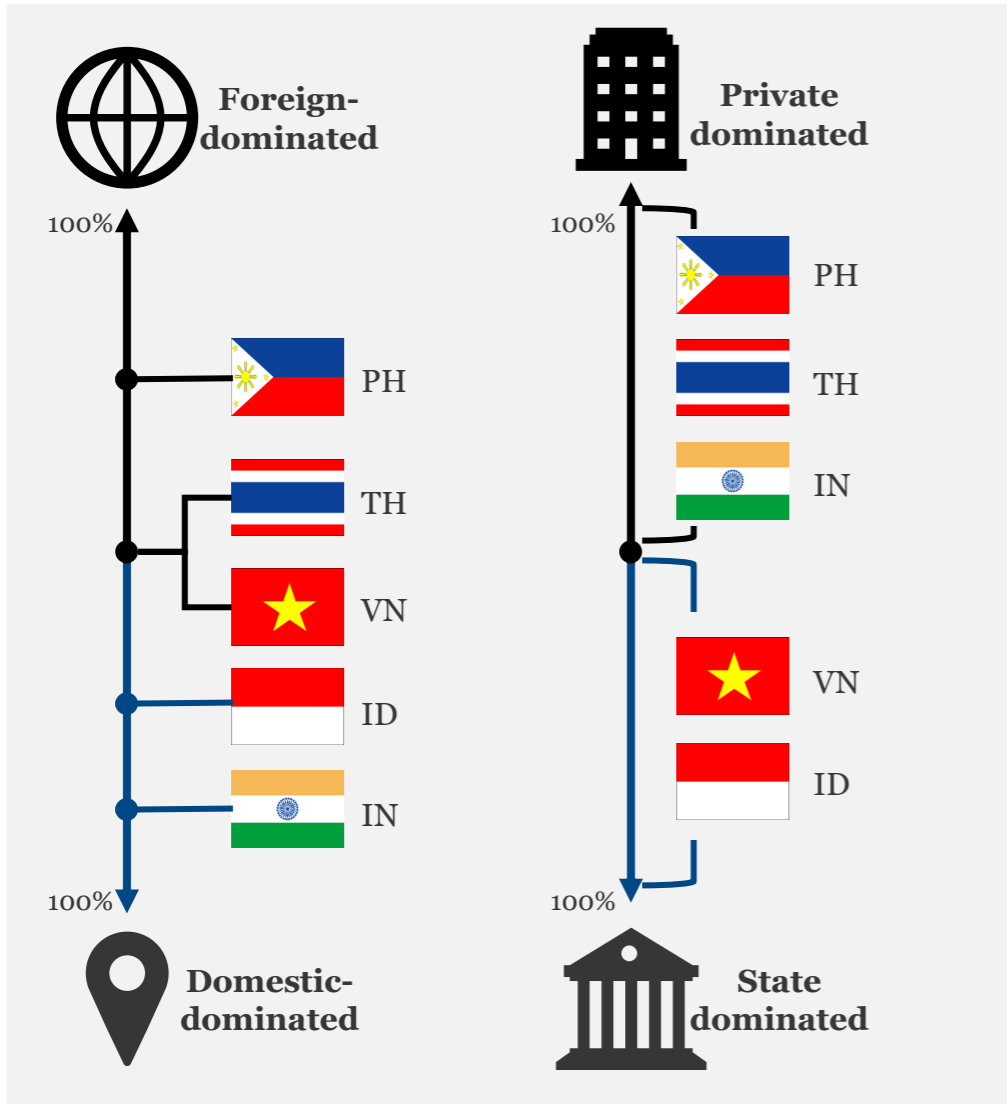
INFRASTRUCTURE INDUSTRY VALUE, BREAKDOWN BY SECTORS  
2016 - 2019, bn USD



Source: BMI

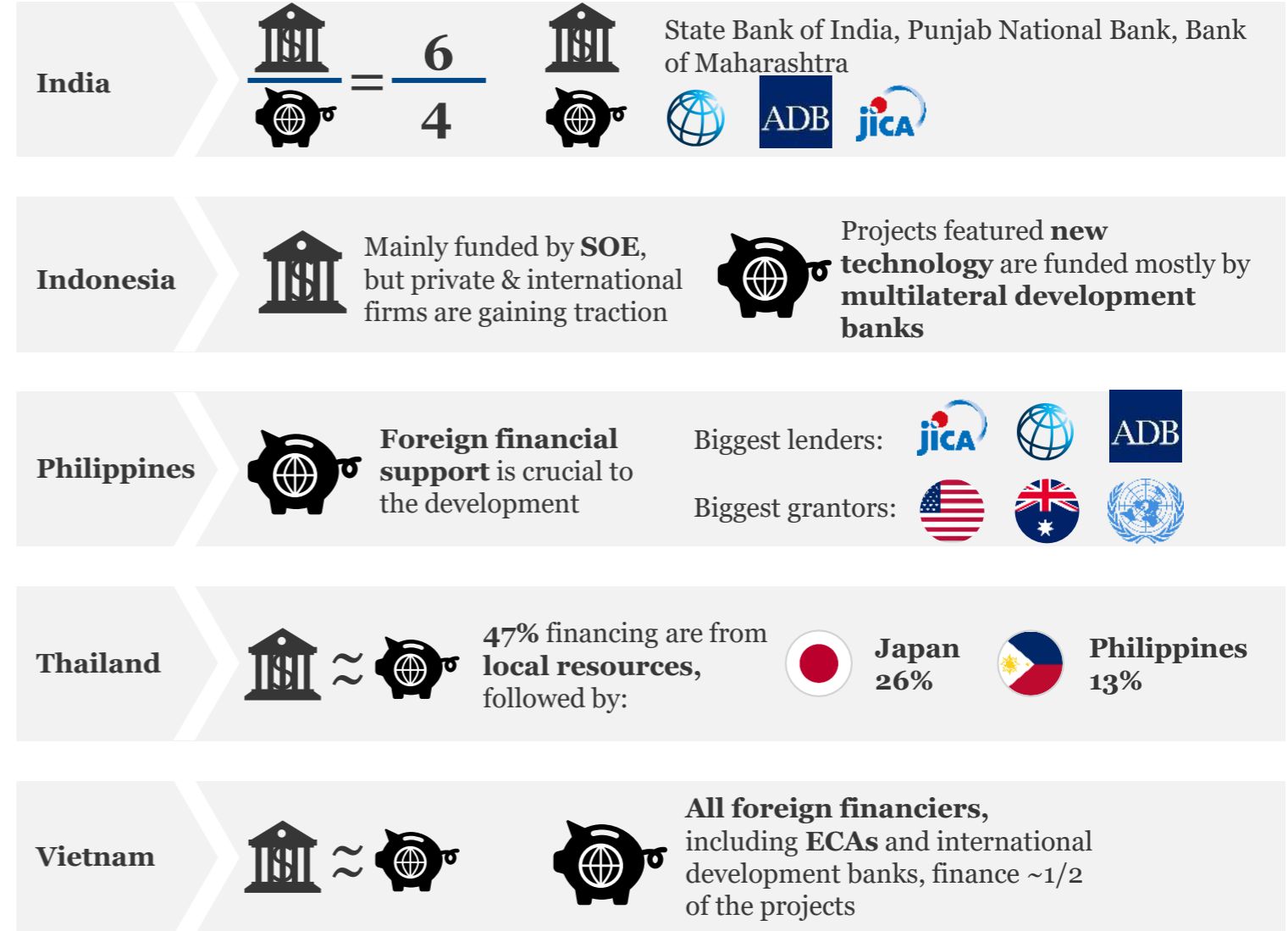
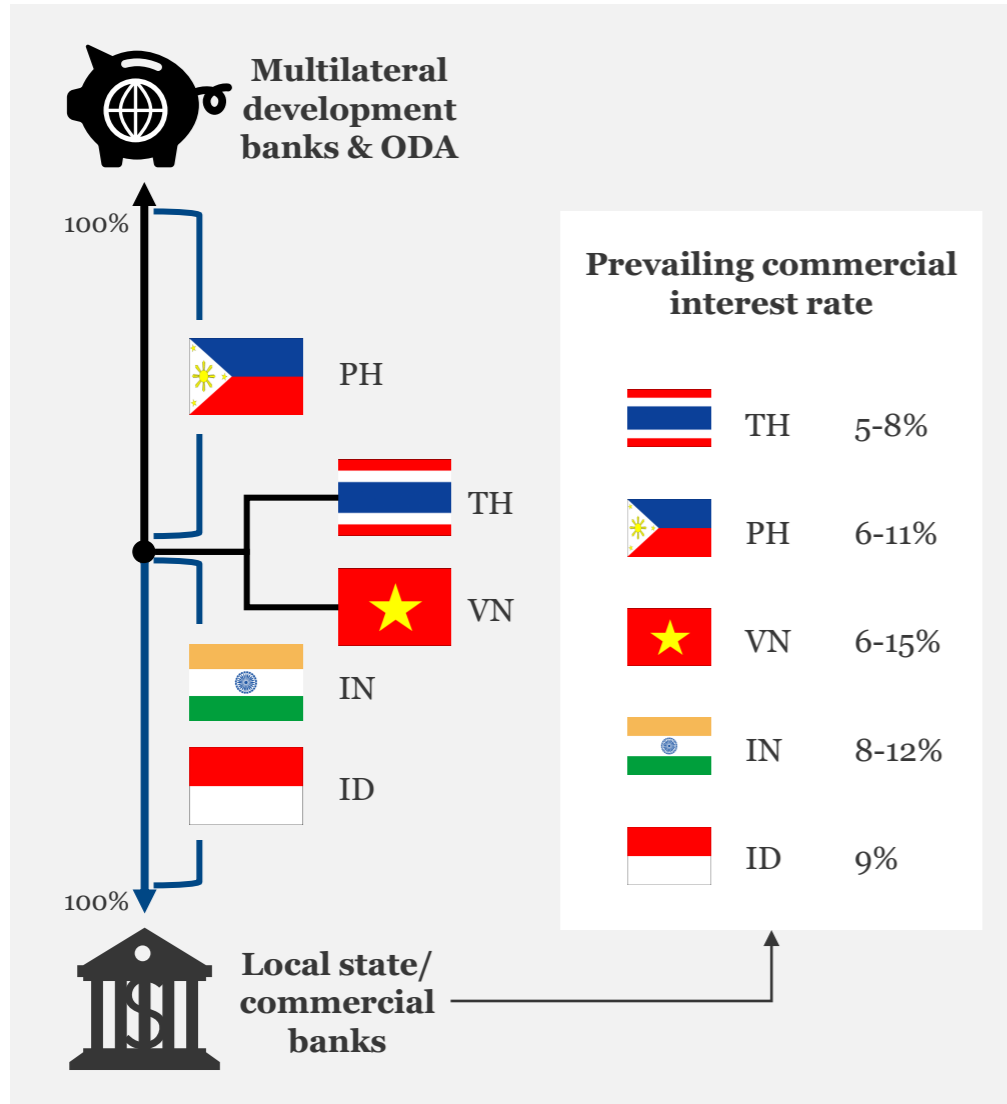
# Whereas India and Indonesia have dominance of local strong contractors, smaller countries have a larger presence from international players

## COMPETITIVE LANDSCAPE OF CONTRACTORS



# Smaller countries have a higher reliance on foreign financing and ODA whereas India and Indonesia have more domestic financial firepower

## COMPETITIVE LANDSCAPE OF FINANCIERS



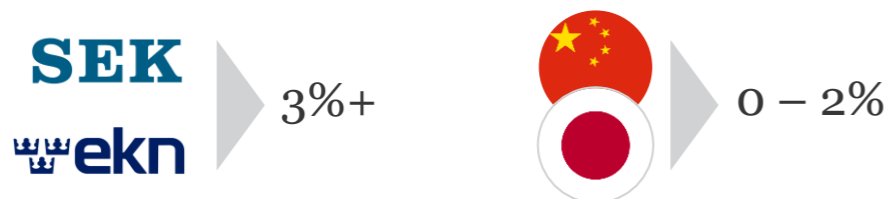
Source: Fitch Solutions, Business Sweden Research and Analysis

# ODA donors, most notably Japan, have been focusing on developing infrastructure in the region, offering financing solutions with favorable terms

TOP 5 DONORS OF TOTAL GROSS ODA FOR INDIA, INDONESIA, THE PHILIPPINES, THAILAND AND VIETNAM  
2017-2018 AVERAGE, mn USD



Interest rate offered by ODA is generally lower than that offered by SEK/EKN



## Japan focuses its aid on South Asia and Southeast Asia

India, Vietnam, Indonesia and Philippines in TOP 5, and Thailand in TOP 10 recipients of Japan ODA in 2018

TOP 10 RECIPIENT OF JAPAN'S ODA  
2018, mn USD

#	Country	Loan & Equity	Grant
1.	India	3,975	183
3.	Vietnam	607	67
4.	Indonesia	586	52
5.	Philippines	360	203
9.	Thailand	241	30



## China is the growing force in infrastructure financing

There is an increasing reliance on Chinese investments in Southeast Asia through the Belt and Road Initiative

### Railway is the most focused sector



Sino-Thai high-speed railway linking Bangkok and Kunming, Jakarta-Bandung high-speed railway, Delhi-Chennai high-speed railway








### Long-term agreements to strengthen cooperation

Infrastructure Cooperation Program signed between Philippines and China

# EKN rate the selected countries as medium risk with Vietnam ranked slightly riskier; foreign ECA financing often combined with ODA in markets

## COUNTRY RISK ASSESSMENT BY EKN

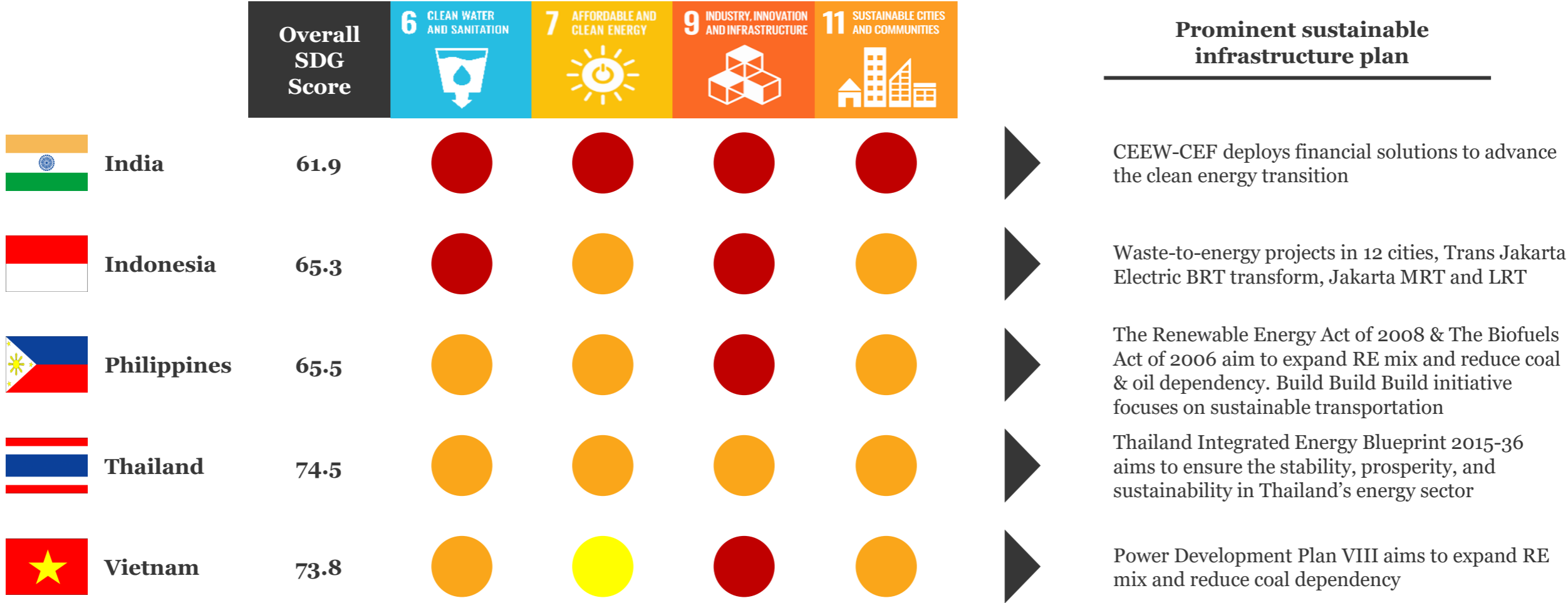
	Category	Risk type				Experience from using export credit
		Sovereign	Public	Bank	Corporate	
 <b>India</b>	③	△	△	△	△	ECA financing is often considered as a method to diversify funding rather than the solution for price & efficiency
 <b>Indonesia</b>	③	△	△	△	△	The China Ex-Im Bank and the Korea Ex-Im Bank have provided financing for projects where companies from China or Korea are acting as the sponsors for those projects, in most cases, in syndicated cooperation with international commercial banks
 <b>Philippines</b>	③	△	△	△	△	JBIC (Japan Bank for International Cooperation) has provided export credit financing for multiple transportation projects
 <b>Thailand</b>	③	△	△	△	△	Export credit is not a mainstream financial solution for Thai contractor, as companies are more familiar with issuing bonds or taking loans from local commercial banks
 <b>Vietnam</b>	④	△	▲	△	△	Export credit agencies (ECAs) and international development banks finance more than 1/3 of projects. Japan International Cooperation Agency (JICA) with its ECAs (JBIC & NEXI) and Export-Import Bank of Korea back some major transportation and energy projects

③ A lower country risk category means a lower country risk    △ Normal risk assessment    ▲ Normally off cover



# Most countries face significant challenges in attaining sustainable infrastructure, however plans are underway to tackle the issues

## SUSTAINABILITY DEVELOPMENT GOALS BY UN



● SDG achieved   
 ● Challenges remain   
 ● Significant challenges remain   
 ● Major challenges remain

Source: Replace this text

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# Medium scale contractors see potential to use finance for local projects; larger contractors in IN, ID & TH look to finance projects in developing markets

More interest/  
potential

## POTENTIAL TO PROMOTE SWEDISH EXPORT CREDIT FINANCING

Less interest/  
potential

	MEDIUM-SIZED LOCAL CONTRACTORS	LARGE REGIONAL CONTRACTORS	SMALL-SIZED LOCAL CONTRACTORS	INTERNATIONAL CONTRACTORS
Examples				
Turnover	> 30 mn USD < 500 mn USD	> 500 mn USD	< 30 mn USD	bn USD +++
Shortlisted/ Total Contractors	13/~1,000	11/~60	0/~thousands	0/ N/A
Swedish Product Usage	 Medium	 Medium/High	 Low	 Low/Medium
Potential	Companies with decent market position and credit rating who want to use ECA financing as USP to expand on local market	Primarily want to use ECA to pitch weaker project owners in developing countries (Laos, Cambodia, Ghana, etc.)	Companies with weaker market position lacking credit rating or capabilities to take on larger debt	Foreign contractors tend to use financing from their home countries (South Korea, Japan, etc.), often tied to minimum content from those countries

# Medium scale contractors are interested in Swedish ECA solutions for domestic projects whereas large players would use it for overseas projects

## MEDIUM-SIZED LOCAL CONTRACTORS ARE INTERESTED IN EXPORT CREDIT OPPORTUNITIES ACROSS ALMOST ALL MARKETS

Despite the medium-sized revenues (less than 500 mn USD), these contractors are the **leading companies in their respective fields** with average-high credit ratings

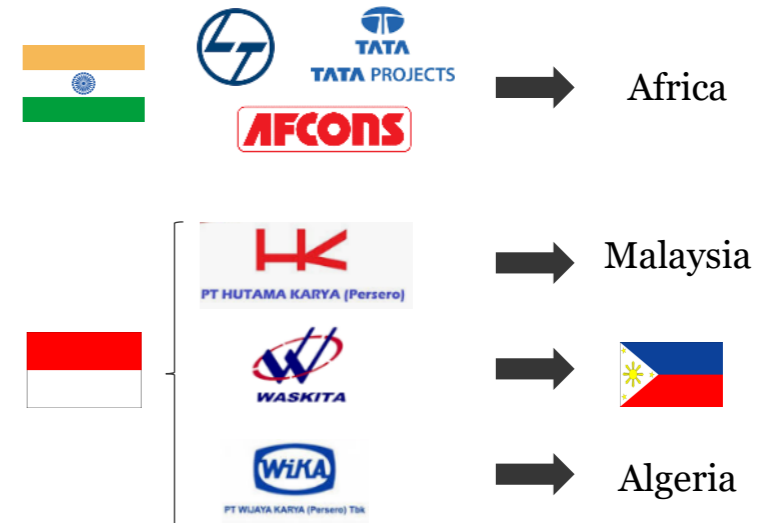


“We do not hesitate in taking loans for both working capital as well as funding for our EPC projects, as we have received some similar loans in the past”

EPC Department  
PCC1, Vietnam

## LARGE INDIAN AND INDONESIAN CONTRACTORS ALSO WELCOME NEW CREDIT OPPORTUNITIES

Large Indian and Indonesian contractors are expanding operations into other **developing markets**, thus also **need funding for their overseas operation**



“In Africa, government is ready to be the borrower, and there are large projects planned in water, roads and bridges. We are bidding for projects in 8-10 countries in Africa”

Central Business Development  
Afcons Infrastructure Ltd., India

# Global contractors show less interest as they use financing from home countries; small contractors don't have enough strength to utilize overseas loans

## MOST GLOBAL CONTRACTORS HAVE AVAILABLE FINANCING OPTIONS

Foreign contractors with global presence either **arrange the financing themselves** or prefer credit packages from **their home countries**, for eg. Japan, South Korea, Australia, etc. – though they do show interest in Swedish solutions



**SAMSUNG ENGINEERING**



**POSCO**

**Technip**



**HYUNDAI**  
ENGINEERING & CONSTRUCTION

## SMALL LOCAL COMPANIES DO NOT HAVE ENOUGH FINANCIAL CAPABILITY FOR SWEDISH OFFERINGS

Smaller companies have less incentives to **shoulder big liabilities**, as they also do not have the financial capability to use Swedish solutions; thus they do not show great interest in Swedish offers



**SEEN**

**ECOBA-ENT**

“

“We have financing support mostly from KOTRA and Korean Ex-Im Bank.”

General Manager  
Hyundai E&C Vietnam, Vietnam

”


“

“We usually use our own equity to finance projects. Our revenue is not high, thus having a huge debt in our financial statement will be a bit troublesome.”





















General Director  
SEEN, Vietnam

”

# Shortlisted contractors cover most sectors across countries except Vietnam where energy sector takes prominence


 **SHORTLISTED CONTRACTORS ARE ACTIVE IN SEVERAL SECTORS ACROSS ALMOST EVERY MARKET**

Almost **every sector** across all markets is open to Swedish offers, ranging from **transportation** to **power** and **utilities**

				
	O&G	Power	Transportation	Water
				
	O&G	Power	Civil construction	Water
				
	Transportation	Power	Civil construction	Water
				
	Transportation	Power	Civil construction	Water

“Transportation sector is the top priority as we foresee upcoming mega projects in near future. Power sector also has high potential due to investment in renewable energy.”

Vice President – Finance  
Sino Thai Engineering, Thailand

 **VIETNAM IS AN EXCEPTION AS SHORTLISTED CONTRACTORS LEANS TOWARDS ENERGY**

Shortlisted contractors in **energy** sector are **more familiar** and **willing** to use Swedish products, due to the **high involvement of advanced technology** and Swedish household brand such as ABB



“Waste-to-energy and power sector require more advanced technology, and Sweden has competitive advantage in that area.”

General Director  
SEEN, Vietnam

# In terms of Swedish solutions, companies are interested in the credit package and products but competition from Japan/Korea/China prevails



## MOST CONTRACTORS SHOW INTEREST IN THE SWEDISH SOLUTIONS

Swedish solutions are **used frequently** by contractors in **India, Indonesia and Thailand**, but **not so much** in **Vietnam and the Philippines**



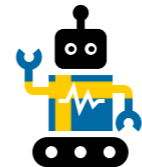
## SWEDISH CREDIT PACKAGE CONFRONTS SOME CHALLENGES DUE TO LOW AWARENESS AND FIERCE COMPETITION



Both the contractors and the Swedish companies' local representatives **have no awareness** of the export credit, with **some exception from Indonesia and India**



**Japan and South Korea** often offer ODA and export credit. **China** has the combination of favorable credit package and affordable solutions



Common concern for almost all contractors is how to reach **30% Swedish content**

“

“It would be interesting to see how the bottom line looks like from a sample term sheet. If it's competitive then we would of course be interested.”

Finance Department  
Megawide, Philippines

”

“

“Swedish credit package should target sectors and projects requiring advanced technology, such as wind power and waste-to-energy to benefit from its advantages”

Office manager  
AFRY, Vietnam

”

# Both project owners and EPC contractors are involved in project financing – often contractors use ECA financing to “pitch” to project owners and aren’t loan-takers

## *EPC Contractors use export credits to...*

Credit beneficiary	Focus Market	Level of frequency	EPC Contractor involvement in decision making
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### Pitch to project owner

1

EPC Contractor offers export credit arrangement as financing solution to the project owner, either unsolicited or through a formal bidding process

**Project Owner**

All Markets (except Thailand)



### Finance its own project

2

EPC Contractor takes the role of project owner as well as EPC builder, e.g. IPP\* in energy generation project, to finance the building/supply portion of the project

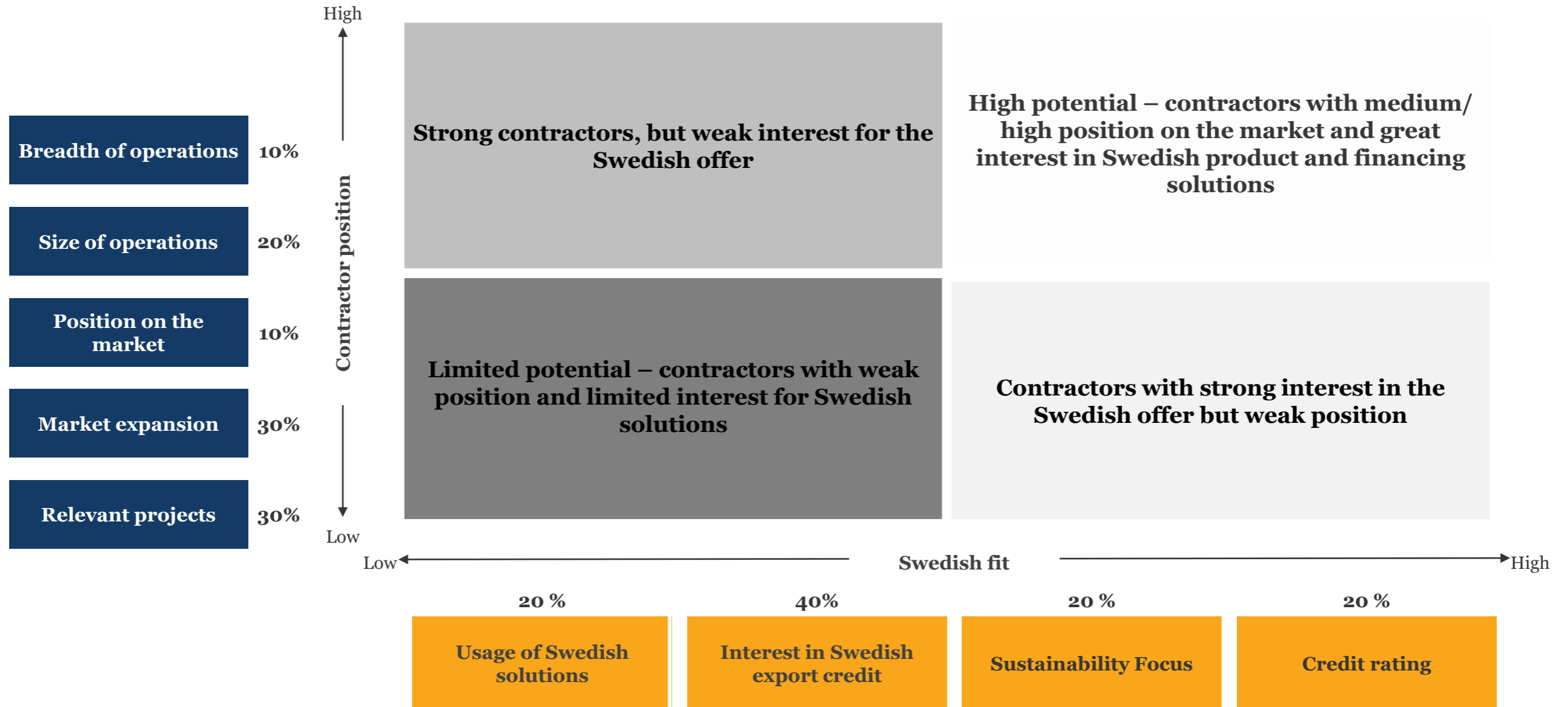
**Project Owner/  
EPC contractor**



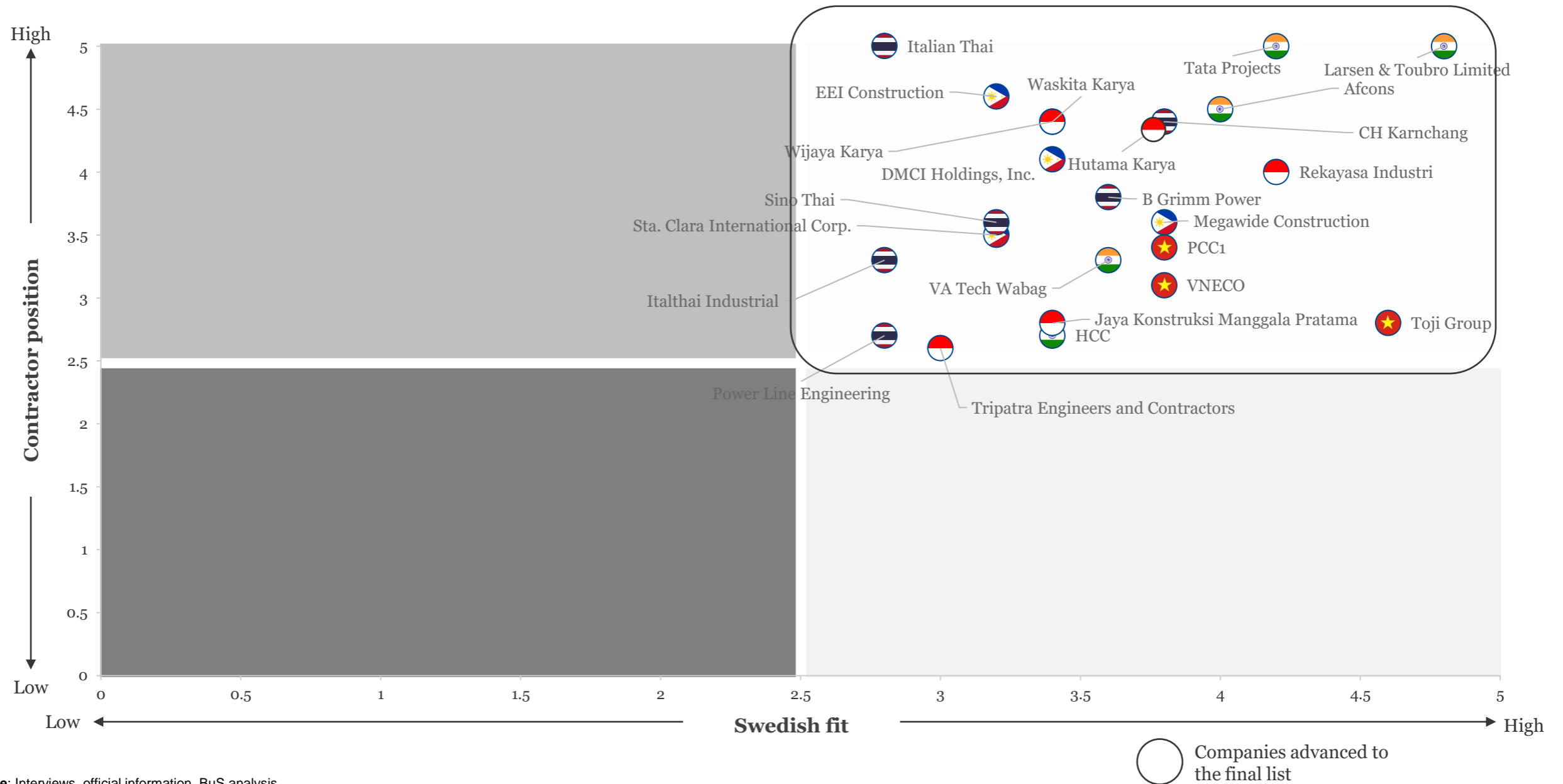
Note: ECA = Export Credit Agency  
\* Independent Power Producer



# Contractors are chosen mostly based on their interest in Swedish offers as well as their position in the market











# Based on our mapping of EPCs market position and fit with Swedish offer, 24 contractors demonstrating high potential are shortlisted for future engagement











Source: Interviews, official information, BuS analysis

## 24 contractors are shortlisted for further discussions (1/3)

Company	Markets	Revenue (MUSD)	Breadth of operation	Position in the market	Usage of Swedish solutions	Interest in Swedish export credit	Sustainability focus	Credit rating	Comments
<b>Larsen &amp; Toubro Limited</b>		21,000	██████	██████	██████	██████	██████	██████	Biggest infrastructure contractor in India, also active in Africa and Middle East. Used Swedish solutions extensively and highly interested in Swedish credit especially for projects abroad
<b>Afcons</b>		7,400	██████	██████	██████	██████	██████	██████	Large EPC contractor in India, active mostly in transportation, 40% business comes from overseas projects. Generally aware of Swedish solutions, interested in the credit package
<b>Tata Projects</b>		1,700	██████	██████	██████	██████	██████	██████	Large EPC contractor in India, active in several infrastructure sectors, known for executing complex projects. Worked with Swedish companies and interested in the credit package
<b>VA Tech Wabag</b>		490	██████	██████	██████	██████	██████	██████	Work extensively in wastewater treatment. Previously a JV with EU but later fully owned by Indian. Presence in 32 countries. Quite interested in Swedish solutions and export credit
<b>HCC</b>		404	██████	██████	██████	██████	██████	██████	Mainly in transportation, power, water and industrial construction. Presence mostly in South Asia. Limited use of Swedish products, but interested in credit nonetheless
<b>Waskita Karya</b>		2,000	██████	██████	██████	██████	██████	██████	One of leading state companies in developing the country, having a strategic role in supporting the acceleration of infrastructure projects. Familiar with Swedish products
<b>Hutama Karya</b>		1,800	██████	██████	██████	██████	██████	██████	Core competence is in transportation projects, but also engage in energy, construction and WWT. Key EPC in Trans Sumatra Toll Road and have activity in the new capital project
<b>Wijaya Karya</b>		1,800	██████	██████	██████	██████	██████	██████	An Indonesian SoE involved in engineering and construction work in both Indonesia as well as abroad. Key EPC for LRT Jakarta and High-speed rail Jakarta-Bandung









Source: Interviews, official information, BuS analysis

## 24 contractors are shortlisted for further discussions (2/3)

Company	Markets	Revenue (MUSD)	Breadth of operation	Position in the market	Usage of Swedish solutions	Interest in Swedish export credit	Sustainability focus	Credit rating	Comments
<b>Tripatra</b>		500	██████	██████	██████	██████	██████	██████	Owned by Indika Group, one of the largest Indonesian energy company. Core sectors are within oil & gas downstream, petrochemical and infrastructure projects
<b>Jaya Konstruksi Manggala Pratama</b>		300	██████	██████	██████	██████	██████	██████	Portfolio spans from transportation, power and energy, flood control to water supply. The group is open with export credit system and only accept counterparts with good reputation
<b>Rekayasa Industri</b>		300	██████	██████	██████	██████	██████	██████	Core projects include refinery oil & gas, power & mining and petrochemical. Aim to have more footprints in international infrastructure projects and has partnered with Waskita
<b>B Grimm Power</b>		1,441	██████	██████	██████	██████	██████	██████	Second largest private company in electricity. Familiar with Swedish products, supplied by/worked with ABB & Getinge. Open for discussion, interest rate is a deciding factor
<b>Sino Thai</b>		1,084	██████	██████	██████	██████	██████	██████	One of 3 largest construction companies. JV winner and main EPC in several transport projects and power plants. Export credit might be used when Sino plays as a JV project owner
<b>CH Karnchang</b>		858	██████	██████	██████	██████	██████	██████	Have businesses in many industries: construction, rail, hydropower, etc. More interest in projects that they own rather than just EPC. Most potential project is hydropower in Laos
<b>Power Line Engineering</b>		255	██████	██████	██████	██████	██████	██████	Key Thai EPC specialized in electrical and power part in many project that Swedish companies. Many Swedish companies mention PLE as a partner. Loan mostly for working capital
<b>ItalThai Industrial</b>		158	██████	██████	██████	██████	██████	██████	Focus on electrical, power and industrial sector. Leading Thai EPC among industrial customers. Loan mostly for working capital

Source: Interviews, official information, BuS analysis

## 24 contractors are shortlisted for further discussions (3/3)

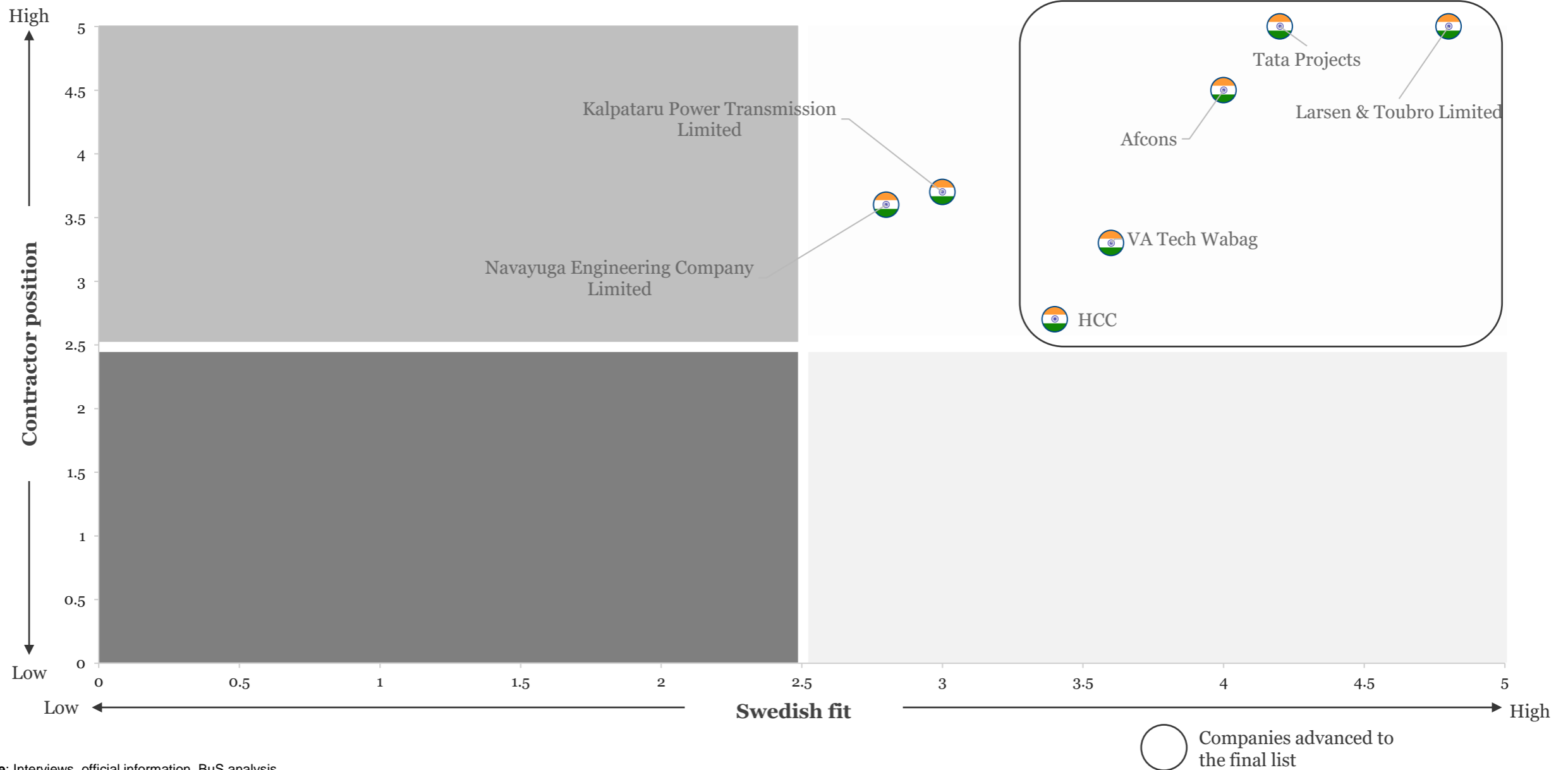
Company	Markets	Revenue (MUSD)	Breadth of operation	Position in the market	Usage of Swedish solutions	Interest in Swedish export credit	Sustainability focus	Credit rating	Comments
<b>Italian Thai</b>		2,039	██████	██████	██████	██████	██████	██████	One of 3 largest construction companies. Focus on civil work project in infrastructure, transport, real estate, water, etc. Open for discussion, interest rate is a deciding factor
<b>DMCI Holdings</b>		1,705	██████	██████	██████	██████	██████	██████	A construction and property development company in Water, Transport, Energy, General Construction, Residential development. Open for further discussion on financial package
<b>EEI Construction</b>		481	██████	██████	██████	██████	██████	██████	Filipino EPC and top contractor in the Philippines involved in some of the major infrastructure projects in the Philippines. Presence in several countries
<b>Megawide Construction</b>		408	██████	██████	██████	██████	██████	██████	A premiere EPC company in the Philippines with prominent projects in commercial, residential and airport infrastructure in the Philippines. Show interest in Swedish credit
<b>Sta. Clara</b>		101	██████	██████	██████	██████	██████	██████	EPC contractor to both medium to large scale projects, specialized in the sectors of energy and infrastructure development. Presence in several countries
<b>PCC1</b>		250	██████	██████	██████	██████	██████	██████	TOP 4 contractors in transmission lines & grids; also project owners of power plants. Quite familiar with Swedish products. Open for discussion on financial package and offered solutions
<b>VNECO</b>		65	██████	██████	██████	██████	██████	██████	TOP 4 contractors in transmission lines & grids; also project owners of power plants. Quite familiar with Swedish products. Open for discussion on financial package and offered solutions
<b>Toji Group</b>		43	██████	██████	██████	██████	██████	██████	Contractor in transmission lines and electricity grids. Partnering with Swedish companies for a long time. Open for discussion on financial package and offered solutions

Source: Interviews, official information, BuS analysis



# INDIA

# Indian contractors show fairly high interest in the Swedish package – the most common usage for export credit is for EPC-F model



Source: Interviews, official information, BuS analysis



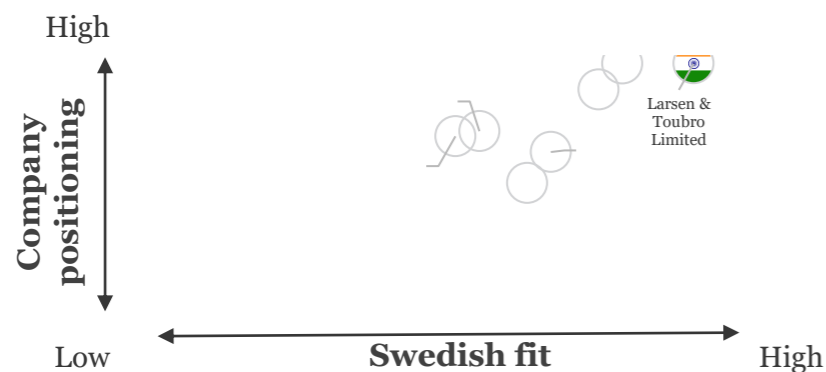
# Larsen & Toubro

## OVERVIEW



Among top 30 EPCs globally, key businesses include construction, manufacturing; and engineering

Establishment	1938
Website	www.larsentoubro.com
Country of origin	India
Markets	Australia, Nepal, Bahrain, Oman, Bangladesh, Qatar, Saudi Arabia, Germany etc.
Key projects	Mumbai Pune expressway, Chennai Bangalore and Delhi metro, Delhi airport runway, elevated corridors



## COMPANY ASSESSMENT

<b>COMPANY POSITIONING</b>	<b>Breadth of operation</b>		Key sectors include hydrocarbon (oil and gas), infrastructure, power, process industries and defense
	<b>Size of operations</b>		Among the largest five fabrication companies in the world, present in more than 30 countries
	<b>Position on the market</b>		About the size of projects, preferable ticket size of the project is 200-250 MUSD
<b>SWEDISH FIT</b>	<b>Usage of Swedish solutions</b>		Strong relations working with Swedish companies, employ Swedish solutions in many of their projects
	<b>Interest in Swedish export credit</b>		Have already been in discussion with SEK/EKN in the past, willing to extend discussions further
	<b>Sustainability focus</b>	█	Adopt sustainability in the products they employ as well as for internal policies and CSR initiatives
	<b>Credit rating</b>		Secured a CRISIL (Indian rating agency) AAA/Stable rating, reflecting a dominant position in the E&C market, diversified revenue profile, adequate financial risk profile, and strong financial flexibility





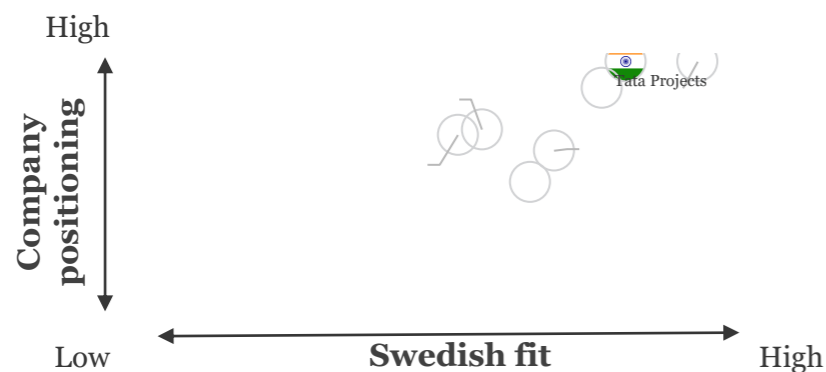
# Tata Projects

## OVERVIEW



*One of the top EPCs in India, has expertise in executing Industrial and Urban Infrastructure projects*

Establishment	1979
Website	www.tataproyects.com
Country of origin	India
Markets	Dubai, Ethiopia, Oman, Zambia, Mali, Kenya, South Africa, Brazil, Thailand
Key projects	Mumbai Trans Harbor Link Bridge, Dedicated Freight Corridor, Lucknow Metro Tunnel



## COMPANY ASSESSMENT

<b>COMPANY POSITIONING</b>	<b>Breadth of operation</b>		Though large, it is one of the fastest growing infrastructure companies in India, railways, power, transmission, construction services, metals, oil & gas, urban infrastructure, water and quality services
	<b>Size of operations</b>		Has expertise in executing large and complex industrial infrastructure projects, and is present in more than 85 countries
	<b>Position on the market</b>		Focus is on the domestic market, cautious about large infrastructure projects it bids for, to maintain brand and ensure quality deliveries
<b>SWEDISH FIT</b>	<b>Usage of Swedish solutions</b>		Frequently uses Swedish solutions in their projects
	<b>Interest in Swedish export credit</b>		Interested to explore new opportunities for financing the project owner
	<b>Sustainability focus</b>		Known for its sustainability, sometimes loses tenders because they don't match L1
	<b>Credit rating</b>		Secured a CRISIL (Indian rating agency) 'CRISIL A1+' rating, reflecting a strong business risk profile supported by established presence in diverse construction segments, with healthy order intake



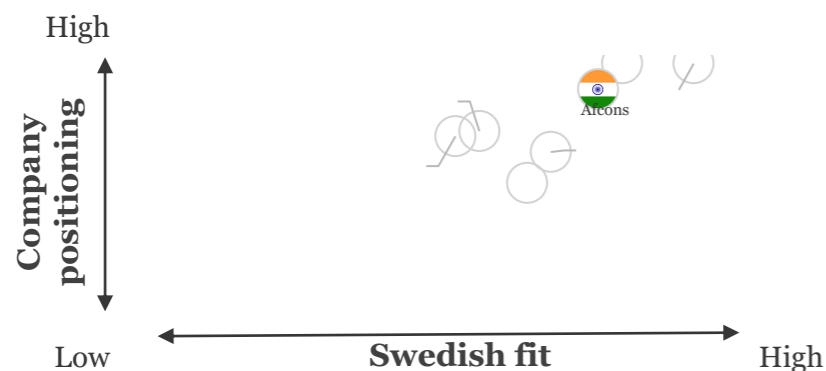
# Afcons

## OVERVIEW



Leading infrastructure development company in India, among the top 15 marine construction companies globally

Establishment	1959
Website	www.afcons.com
Country of origin	India
Markets	Bahrain, Jordan, Kuwait, Oman, UAE, Yemen, Ghana, Liberia, Mauritania, Senegal, Tanzania, Zambia
Key projects	Port of Sohar (Oman), Rohtang Pass highway tunnel (India), New Owendo International Port (Gabon)



## COMPANY ASSESSMENT

COMPANY POSITIONING	<b>Breadth of operation</b>		Leading infrastructure development companies in India, focus areas include marine works, roadways, railway metro works, oil & gas
	<b>Size of operations</b>		Among top 15 marine construction companies in the world, present across 12 countries, including India, Africa & Middle East
	<b>Position on the market</b>		Apart from large infrastructure projects in India, focus is on 8 markets in Africa that have ticket sizes of 100-200 MUSD
SWEDISH FIT	<b>Usage of Swedish solutions</b>		Aware of some Swedish solutions, needs education on the Swedish portfolio of products
	<b>Interest in Swedish export credit</b>		High interest, ready to discuss projects in Africa depending on SEK/EKN's preference
	<b>Sustainability focus</b>		High focus on sustainability, especially quality of solutions adopted in their projects
	<b>Credit rating</b>		'CRISIL BBB-/Stable/CRISIL A3 (Indian rating agency) reflect the strong experience in EPC contracts and healthy order intake



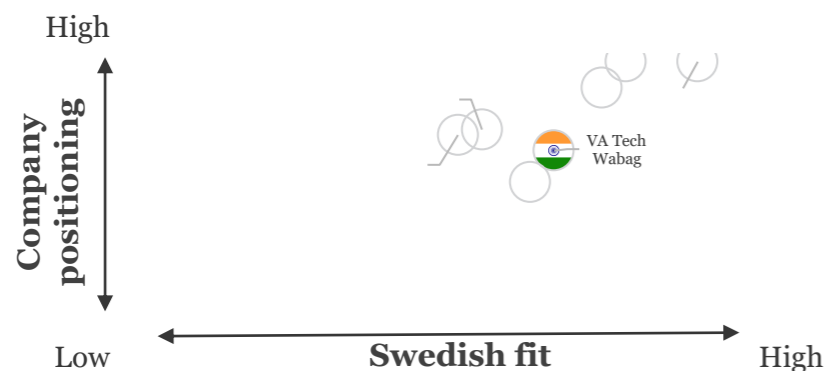
# VA Tech Wabag

## OVERVIEW



Water technology multinational focused on conservation, optimization, recycling and reuse of resources

Establishment	1924
Website	www.wabag.com
Country of origin	India
Markets	Bahrain, Oman, Saudi Arabia, Nigeria, Tanzania, Egypt, Austria, SEA etc.
Key projects	Water treatment plants in: Sundarijal (Nepal), Upper Ruvu (Tanzania), Putatan (Philippines), Muttentz (Switzerland)



## COMPANY ASSESSMENT

<b>COMPANY POSITIONING</b>	<b>Breadth of operation</b>		A water technology multinational offering a wide range of solutions focused on conservation, optimization, recycling and reuse of water resources
	<b>Size of operations</b>		Presence in 4 continents and over 20 countries
	<b>Position on the market</b>		With majority of operations run from India, the company has a reputation of being globally local. Implemented over 100 water treatment projects globally
<b>SWEDISH FIT</b>	<b>Usage of Swedish solutions</b>		Unsure of the offering Sweden has in wastewater segment. Open to exploring Swedish solutions in projects
	<b>Interest in Swedish export credit</b>		Rich experience with raising capital from commercial banks and Indian export credit via the EXIM bank, looking to diversify financial portfolio
	<b>Sustainability focus</b>		High focus on sustainability as it is core to business
	<b>Credit rating</b>		ICRA A2+ rating (another Indian credit rating agency); reflect healthy order intake, position in the industry, strong technical capabilities, execution track record and ownership patents



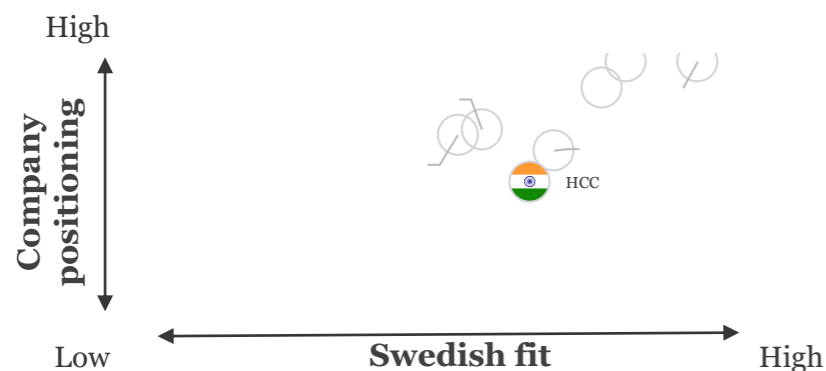
# HCC

## OVERVIEW



Leading EPC company in India, focus on civil works, strong record of executing large, complex infra projects

Establishment	1926
Website	www.hccindia.com
Country of origin	India
Markets	Bhutan, Bangladesh
Key projects	Bandra-Worli Sea Link (India), Delhi Faridabad Skyway (India), Bogibeel Bridge, (India), Delhi Metro Project (India)



## COMPANY ASSESSMENT

### COMPANY POSITIONING

- Breadth of operation** Present across power, transport, water, industrial sectors
- Size of operations** Only present in India, Bhutan and Bangladesh
- Position on the market** Large trusted EPC in India, working closely on several government projects

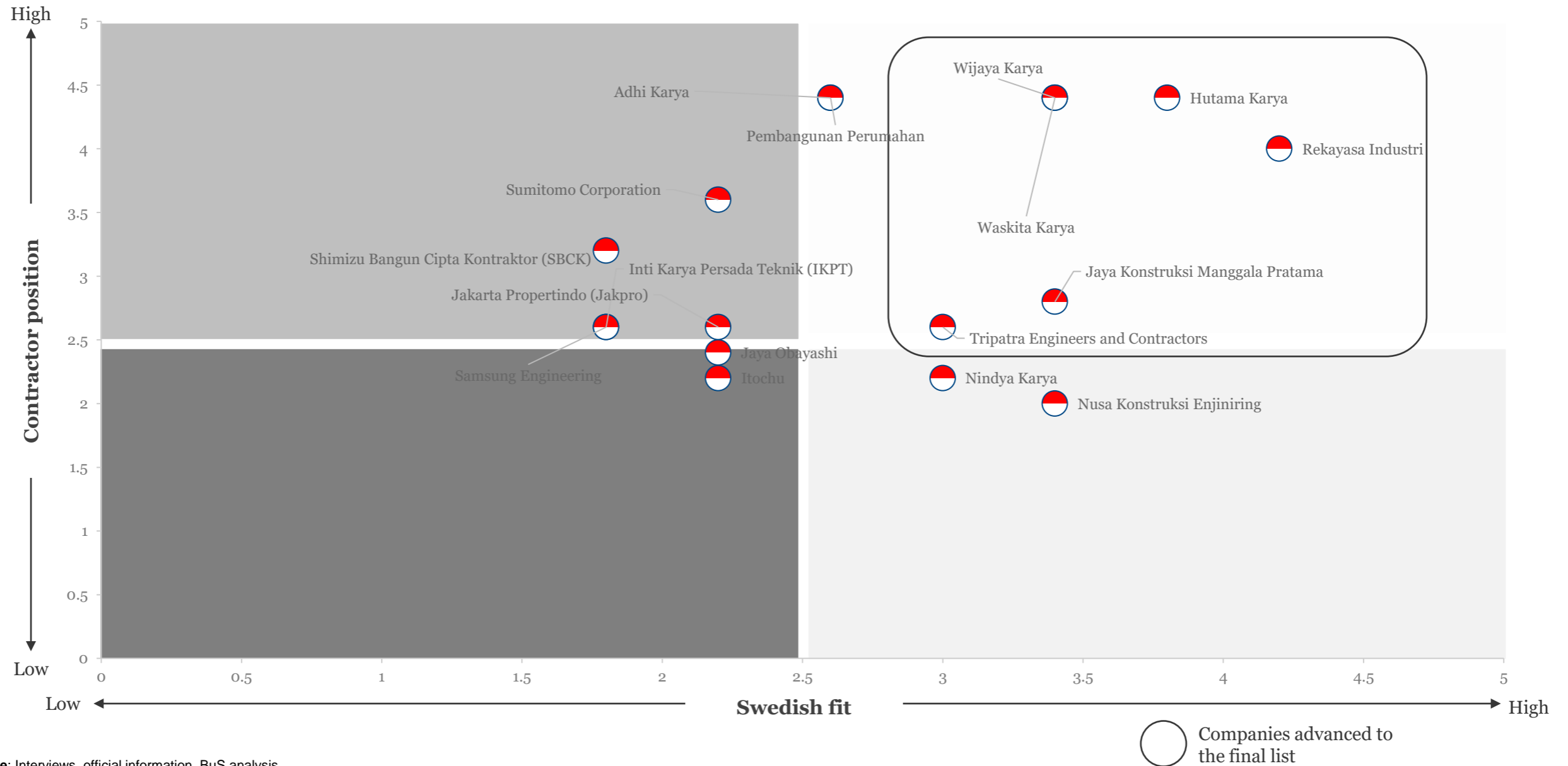
### SWEDISH FIT

- Usage of Swedish solutions** Limited knowledge of Swedish companies and solutions, needs to be educated
- Interest in Swedish export credit** Mainly raises loans through banks and similar financial institutions, open to exploring SEK/Ekn funding
- Sustainability focus** High focus on sustainability, especially on impact to the environment
- Credit rating** Credit rating was generated by credit rating agencies based on secondary data, rated BBB-/Stable by India Ratings and Research



# INDONESIA

# Indonesia has 6 most potential contractors that generally need loans for tools procurement or projects they own



Source: Interviews, official information, BuS analysis



# Hutama Karya

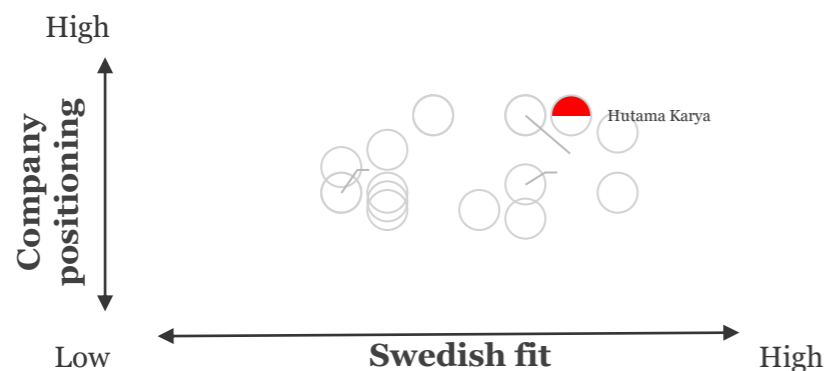
## OVERVIEW



PT HUTAMA KARYA (Persero)

*Hutama Karya is an Indonesian State-Owned Enterprise that engaged in construction and toll road providers*

Establishment	1960
Website	<a href="https://www.hutamakarya.com/">https://www.hutamakarya.com/</a>
Country of origin	Indonesia
Markets	Indonesia
Key projects	<ul style="list-style-type: none"> <li>• Trans Sumatra Toll Road</li> <li>• New capital access point</li> </ul>



## COMPANY ASSESSMENT

### COMPANY POSITIONING

**Breadth of operation**



Core competitiveness is in transportation projects, but also engage in energy, construction and Wastewater Treatment

**Size of operations**



In 2019 Hutama Karya Manages to generate revenue 1.8 billion USD. Mainly come from TransSumatra project

**Position on the market**



Leading player for road and bridges project

### SWEDISH FIT

**Usage of Swedish solutions**



Key customer for Volvo CE

**Interest in Swedish export credit**



The Japanese Government agreed to provide financing for Trans Sumatera Toll Road. However, the company still need a significant fund to complete the rest of the project

**Sustainability focus**



Providing community empowerment program, particularly to community nearby Hutama Karya's site

**Credit rating**

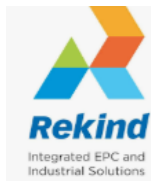


Received the highest investment grade rating by Fitch and Moody's compared to other EPC SoEs.



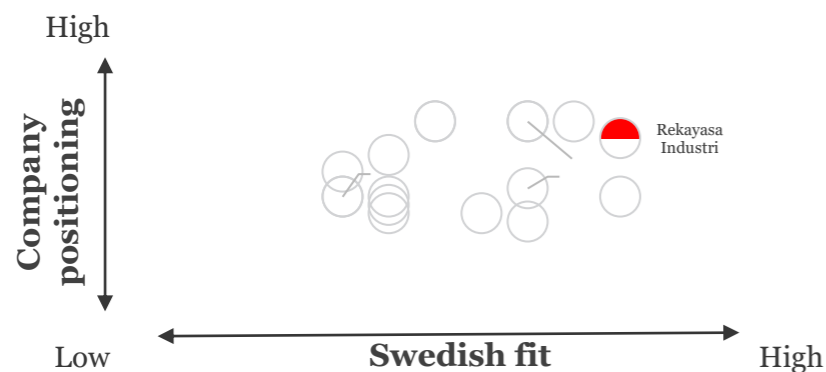
# Rekayasa Industri

## OVERVIEW



An Indonesian service company which specialized in EPCC. The projects are spread in various regions in Indonesia, Malaysia and Brunei Darussalam.

Establishment	1981
Website	<a href="http://www.rekayasa.com/index.php/en/home-rekind/">http://www.rekayasa.com/index.php/en/home-rekind/</a>
Country of origin	Indonesia
Markets	Indonesia, Malaysia, Brunei
Key projects	Refinery Development Master Plan with Pertamina



## COMPANY ASSESSMENT

### COMPANY POSITIONING

**Breadth of operation**



Core projects include refinery oil & gas, power & mining and petrochemical.

**Size of operations**



The total value revenue generated in 2019, is around USD 300 million

**Position on the market**



Strong position in oil & gas projects, has secured a deal with Pertamina, the largest oil company in Indonesia

### SWEDISH FIT

**Usage of Swedish solutions**



Customer of Atlas Copco and Epiroc

**Interest in Swedish export credit**



Aim to have more footprints in international infrastructure projects and has partnered with Waskita.

**Sustainability focus**



Sustainability efforts are invested in the form of CSR activities and community development program

**Credit rating**



BBB+ rating from Fitch





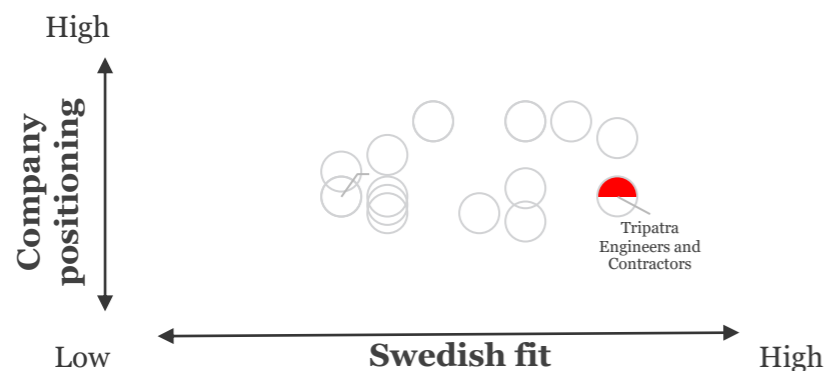
# Tripatra

## OVERVIEW



Owned by Indika Group, one of the largest Indonesian energy company, Tripatra is an EPC company whose specialties are within energy projects.

Establishment	1973
Website	<a href="https://www.tripatra.com/">https://www.tripatra.com/</a>
Country of origin	Indonesia
Markets	Indonesia, United Arab Emirates
Key projects	Tangguh Train 3 expansion



## COMPANY ASSESSMENT

### COMPANY POSITIONING

- Breadth of operation** Core sectors are within oil & gas (onshore and offshore) downstream and petrochemical and infrastructure projects
- Size of operations** Tripatra manages to secure ~USD 500 million in 2019
- Position on the market** Key player in energy projects in Indonesia

### SWEDISH FIT

- Usage of Swedish solutions** Customer of Atlas Copco and Epiroc
- Interest in Swedish export credit** Being in a consortium with Japanese stakeholders, Tripatra probably has access to Japanese funding
- Sustainability focus** In addition to monitoring energy and waste output, Tripatra also ensuring community empowerment through providing education
- Credit rating** Tripatra does not have any credit rating; however, its parent company, Indika has CAA1 from Moody's



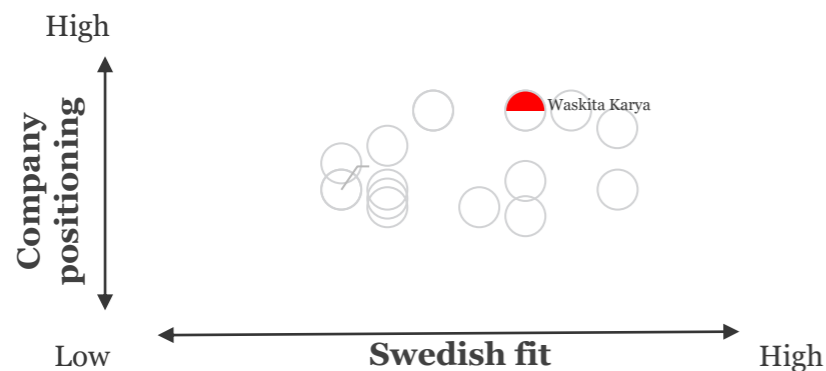
# Waskita Karya

## OVERVIEW



One of leading state companies in developing the country

Establishment	1961
Website	<a href="https://www.waskita.co.id/">https://www.waskita.co.id/</a>
Country of origin	Indonesia
Markets	Indonesia, United Arab Emirates, Vietnam, Philippines, Laos
Key projects	Trans Java Toll Road



## COMPANY ASSESSMENT

### COMPANY POSITIONING

**Breadth of operation**



Business activities in construction and fabrication industries, rental services, investment and EPC

**Size of operations**



In 2019 Waskita Karya Manages to generate revenue USD 2 billion. Mainly come energy and transportation infrastructure project

**Position on the market**



has a strategic role in supporting the acceleration of Government infrastructure projects.

### SWEDISH FIT

**Usage of Swedish solutions**



- Potential markets for construction technology as Bygging-Uddeman, Sandvik Crush plant
- One of key customer of Volvo CE

**Interest in Swedish export credit**



Has an ambition to expand internationally; already made consortium for international project

**Sustainability focus**



Sustainability efforts are conducted in terms of GCG, community development and materials selected for construction

**Credit rating**



BBB+ rating from Fitch



# Wijaya Karya

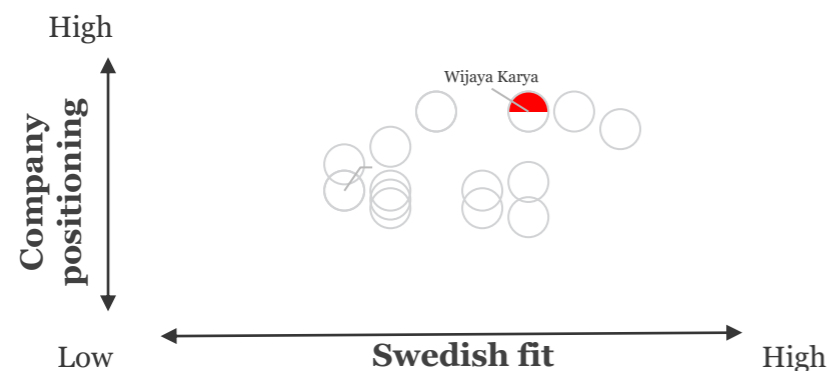
## OVERVIEW



PT WIJAYA KARYA (Persero) Tbk

An Indonesian SoE that is involved in engineering and construction work in both Indonesia as well as abroad.

Establishment	1960
Website	<a href="https://www.wika.co.id">https://www.wika.co.id</a>
Country of origin	Indonesia
Markets	Indonesia, Taiwan Middle East and North Africa Asia Pacific
Key projects	<ul style="list-style-type: none"> <li>LRT Jakarta</li> <li>High speed rail Jakarta-Bandung</li> </ul>



## COMPANY ASSESSMENT

### COMPANY POSITIONING

**Breadth of operation**



Three core businesses are Civil Construction (roads, bridges, seaports, airports and dams) and Building Construction and Mechanical Electrical.

**Size of operations**



WIKA manages to generate revenue 1.8 billion USD. Mainly come from railway project as well as some energy infrastructure project

**Position on the market**



Leading Integrated EPC & Investment Company

### SWEDISH FIT

**Usage of Swedish solutions**



- Potential markets for construction technology as Bygging-Uddeman, Sandvik Crush plant
- One of key customer of Volvo CE

**Interest in Swedish export credit**



Aim to secure more international projects in 2020

**Sustainability focus**



Includes 5 SDGs into its own sustainability strategy and goals

**Credit rating**

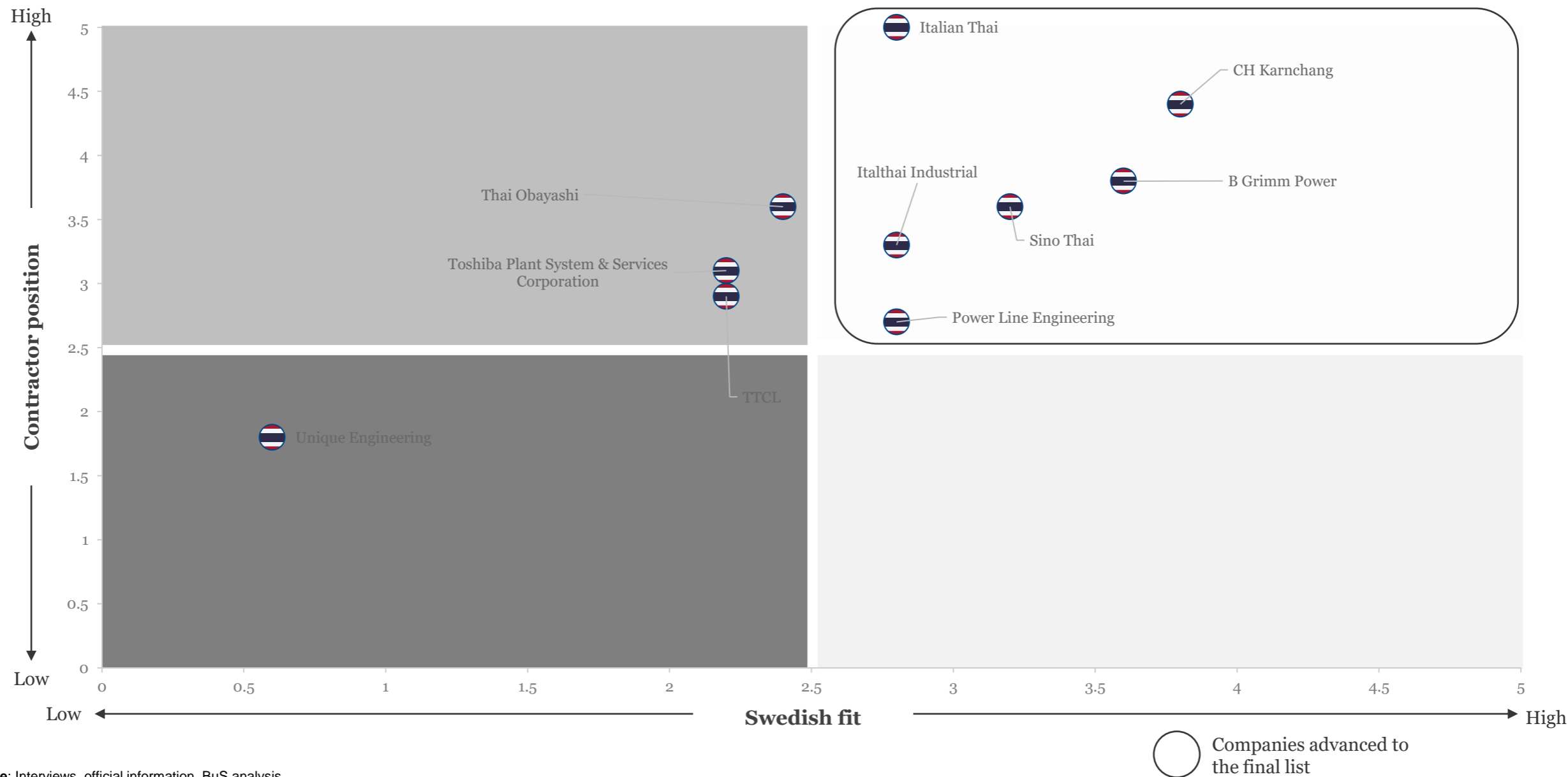


BB rating from Fitch

An aerial view of a city skyline at dusk, featuring numerous high-rise buildings with illuminated windows. The word "THAILAND" is overlaid in large, white, sans-serif capital letters across the center of the image.

# THAILAND

# Most Thai contractors are open for further discussion, but generally they only need export credit for projects in which they act as project owner/JV



Source: Interviews, official information, BuS analysis



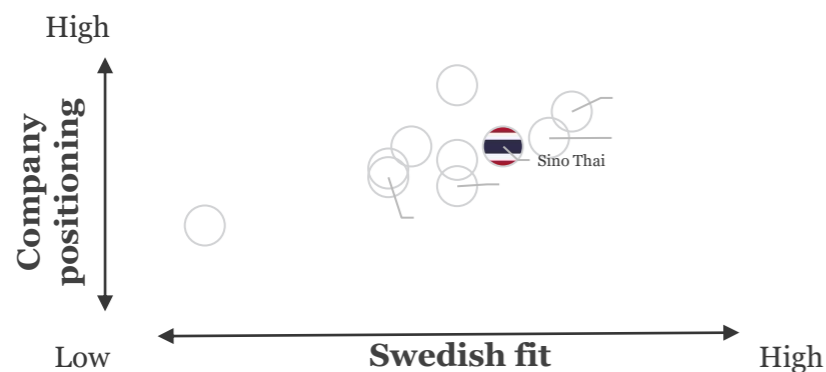
# Sino Thai Engineering and Construction

## OVERVIEW



*One of three largest construction companies in Thailand with high connection in public projects*

Establishment	1962
Website	<a href="http://www.stecon.co.th/">http://www.stecon.co.th/</a>
Country of origin	Thailand
Markets	<b>Thailand</b>
Key projects	Bangkok urban rail, U-Tapao airport city, Phuket airport, North-East motorway



## COMPANY ASSESSMENT

### COMPANY POSITIONING

**Breadth of operation**



Focus on civil works in infrastructure, transport and energy projects mainly public infrastructure

**Size of operations**



1 billion USD revenue in 2019

**Position on the market**



Well known as one of the largest construction companies in Thailand with strong connection in national politics and public authorities

### SWEDISH FIT

**Usage of Swedish solutions**



Many Swedish companies have supplied products to them

**Interest in Swedish export credit**



Open for discussion but it is likely for project that they are JV project owner rather EPC

**Sustainability focus**



No special focus on sustainability aspect rather follow the law and prevent conflict

**Credit rating**



A- by TRIS rating and S&P



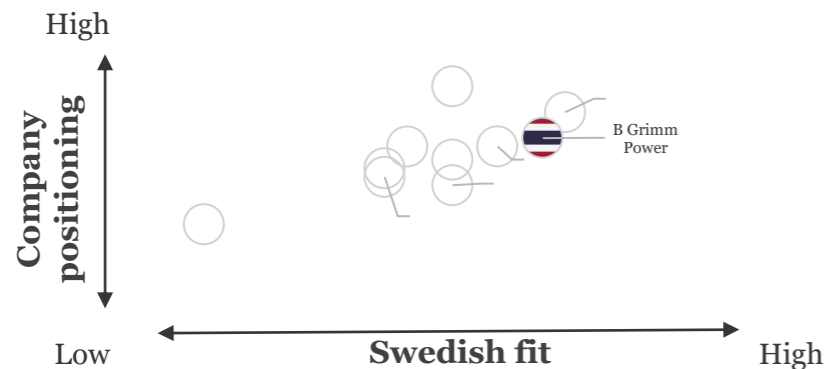
# B Grimm power

## OVERVIEW



*A leading electrical energy company for industrial sector*

Establishment	1878
Website	<a href="https://bgrimmgroup.com">https://bgrimmgroup.com</a>
Country of origin	Thailand
Markets	<b>Thailand, Vietnam,</b> Myanmar, Laos, Cambodia
Key projects	Amata B Grimm power plant, Da Tieng Tay Ninh solar farm, Nam Che Hydropower



## COMPANY ASSESSMENT

### COMPANY POSITIONING

**Breadth of operation**



Main business in electrical energy, but the group also has other companies in healthcare, industrial and real estate

**Size of operations**



1.4 billion USD revenue in 2019

**Position on the market**



A leading electrical energy companies with ambition to expand to South East Asia market

### SWEDISH FIT

**Usage of Swedish solutions**



Big customer of Siement's power plant solutions and other Swedish products in the field

**Interest in Swedish export credit**



Open for discussion for project that they will own and responsible for operation

**Sustainability focus**



B Grimm has issued several green bond selling to international development banks

**Credit rating**



A by TRIS rating and S&P



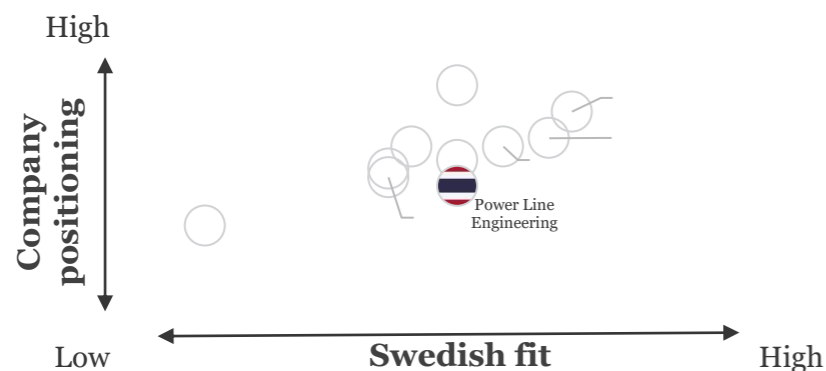
# Power Line Engineering

## OVERVIEW



*A forefront EPC in electrical system*

Establishment	1988
Website	<a href="http://www.ple.co.th/">http://www.ple.co.th/</a>
Country of origin	Thailand
Markets	<b>Thailand</b>
Key projects	Bangkok urban rail, Suvannabhumi airport satellite terminal, Central festival department store Phuket



## COMPANY ASSESSMENT

COMPANY POSITIONING	Breadth of operation	■■■■■	Has expertise in electrical system, but also provide services in telecommunication, water utility and etc.
	Size of operations	■■■■■	255 million USD revenue in 2019
	Position on the market	■■■■■	Well known in electrical works in construction project
SWEDISH FIT	Usage of Swedish solutions	■■■■■	Close relationship with Swedish companies providing electrical solutions
	Interest in Swedish export credit	■■■■■	Rarely takes loan due to strong financial background and only working with trustworthy project owners
	Sustainability focus	■■■■■	Does not have special focus on sustainability
	Credit rating	■■■■■	Low Debt per Asset ratio (0.7:1)





# ItalThai Industrial

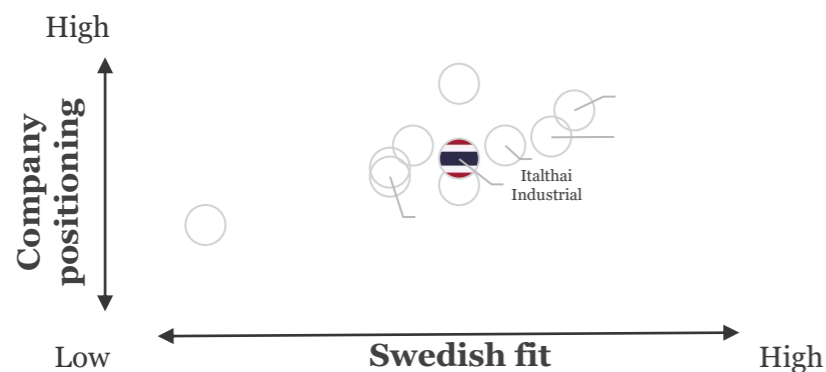
## OVERVIEW



ITALTHAI

*A Thai industrial EPC and construction equipment provider*

Establishment	1955
Website	<a href="https://www.italthaigroup.com/">https://www.italthaigroup.com/</a>
Country of origin	Thailand
Markets	<b>Thailand and Myanmar</b>
Key projects	Ligor wind farm, Bangkok hospital Phoenix building, Ekkachai power station



## COMPANY ASSESSMENT

### COMPANY POSITIONING

- Breadth of operation** Focus on electrical, power and industrial sectors
- Size of operations** 158 million USD revenue in 2019
- Position on the market** Leading Thai EPC among industrial customers

### SWEDISH FIT

- Usage of Swedish solutions** Has been working closely with Swedish companies in electrical system. ItalThai is an authorized Volvo CE distributor
- Interest in Swedish export credit** Rarely take loan due to strong financial background, but will promote the solutions to Volvo CE customers
- Sustainability focus** Has no special focus on sustainability
- Credit rating** Low Debt per Asset ratio (0.4:1)



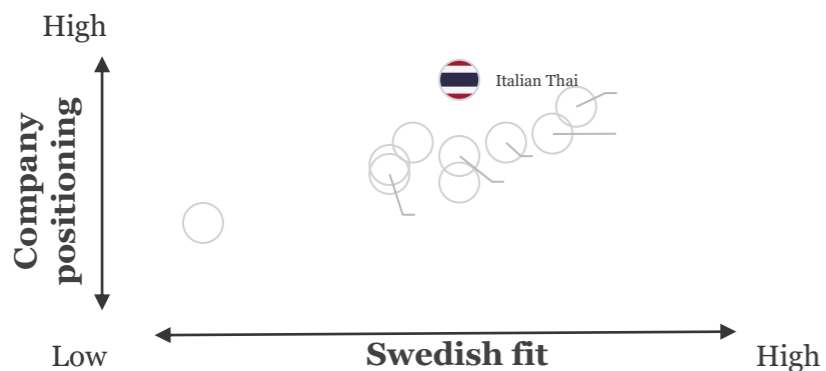
# Italian Thai Development

## OVERVIEW



One of three largest construction companies in Thailand with backlogs in Thailand and Myanmar large projects

Establishment	1958
Website	<a href="http://www.itd.co.th/">http://www.itd.co.th/</a>
Country of origin	Thailand
Markets	<b>Thailand, Myanmar, India, Bangladesh, Laos, Taiwan, Vietnam</b>
Key projects	Ho Chi Minh pipe interceptor, Dawei industrial estate, 3 airports highspeed rail, double tracks rail network



## COMPANY ASSESSMENT

### COMPANY POSITIONING

#### Breadth of operation



Has expertise in all type of construction projects; transport, energy, real estate, water and etc.

#### Size of operations



2 billion USD revenue in 2019

#### Position on the market



Well known as one of the largest construction companies in Thailand with businesses in South East and South Asia

### SWEDISH FIT

#### Usage of Swedish solutions



Has been working with many Swedish solutions, but no special preference

#### Interest in Swedish export credit



Open for discussion, but interest rate would be a main decision point

#### Sustainability focus



No special focus in sustainability

#### Credit rating



BBB- by TRIS rating



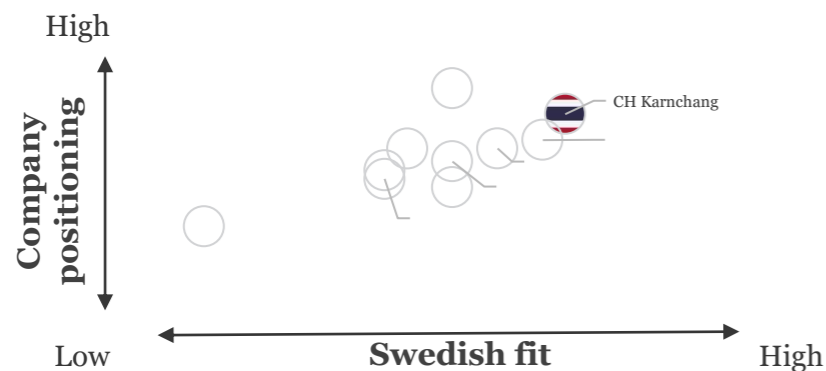
# CH Karnchang

## OVERVIEW



One of three largest construction companies in Thailand with subsidiaries operating subways, tollways, water and hydropower

Establishment	1972
Website	<a href="http://www.ch-karnchang.co.th/">http://www.ch-karnchang.co.th/</a>
Country of origin	Thailand
Markets	<b>Thailand, Laos</b> , Myanmar, Sri Lanka
Key projects	Xayaburi hydropower, Bangkok subway network, Bangkok ring road,



## COMPANY ASSESSMENT

### COMPANY POSITIONING

**Breadth of operation**



Experiences in transport, real estate, hydropower and energy with subsidiaries operating public services

**Size of operations**



800 million USD revenue in 2019

**Position on the market**



Well known as one of the largest construction companies in Thailand and hydropower operator in Laos

### SWEDISH FIT

**Usage of Swedish solutions**



Has been working with many Swedish solutions, but no special preference

**Interest in Swedish export credit**



Open for discussion but see opportunities in projects that they act as owner and projects in Laos are the most potential

**Sustainability focus**



Sustainability is one of area that the company prioritize as their project involve communities and have high impact to environment

**Credit rating**

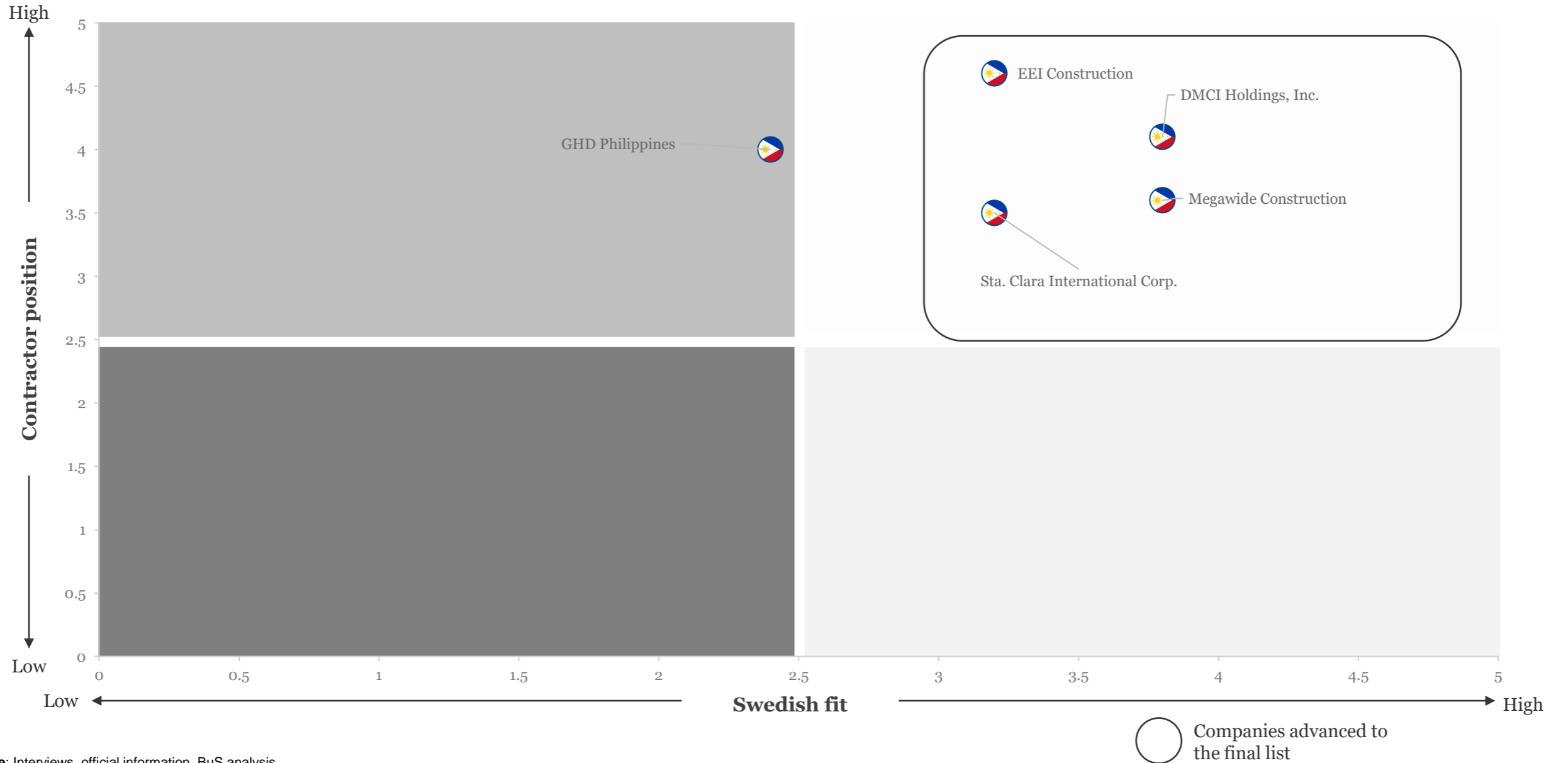


A- by TRIS rating and S&P

A wide-angle photograph of a city skyline at sunset. The sky is filled with soft, colorful clouds in shades of orange, pink, and purple. The city buildings are silhouetted against the bright horizon, with some windows and lights glowing. The word "PHILIPPINES" is written in large, bold, white capital letters across the center of the image.

# PHILIPPINES

# 4 contractors from the Philippines show interest in the credit – which will be potentially used to pitch to project owners or finance procurement



Source: Interviews, official information, BuS analysis



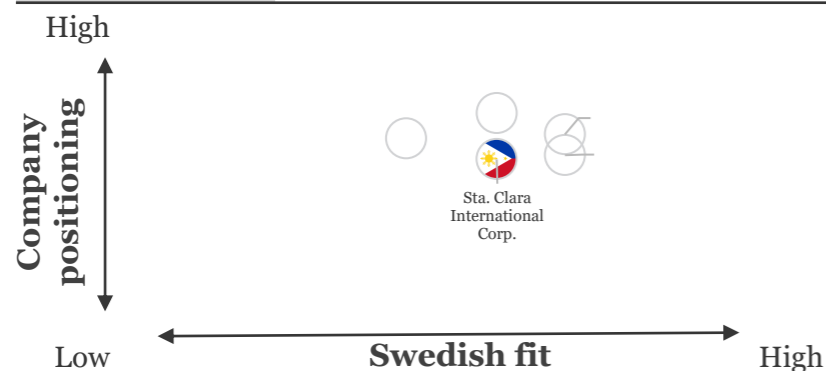
# Sta. Clara International Corporation

## OVERVIEW



*Leading engineering and general contractor with a specialization in tunneling*

Establishment	1976
Website	<a href="http://staclara.com.ph/">http://staclara.com.ph/</a>
Country of origin	Philippines
Markets	Philippines, Qatar, Oman, Papua New Guinea
Key projects	South Luzon Expressway - Project Toll Road 4 (Package C, D & E), Marilao EHV Substation Project, and Subic Freeport Expressway (SFEX) Capacity Expansion Project



## COMPANY ASSESSMENT

<b>COMPANY POSITIONING</b>	<b>Breadth of operation</b>		Sta. Clara International Corporation is involved in projects related to transport, energy, mining, water and other urban infrastructure services.
	<b>Size of operations</b>		In the past 3 years, the average revenue for Sta. Clara is USD 105 million.
	<b>Position on the market</b>		Sta. Clara is mostly active in projects in the Philippines but also has presence in Qatar, Oman, Bahrain and Papua New Guinea.
<b>SWEDISH FIT</b>	<b>Usage of Swedish solutions</b>		Sta. Clara is a client of ABB, and Volvo.
	<b>Interest in Swedish export credit</b>		Highly interested in exploring how they can tap EKN/SEK funding, as well as partner with Swedish EPCs
	<b>Sustainability focus</b>		Due diligence in projects, especially for mining are conducted. However, there is no concrete sustainability model.
	<b>Credit rating</b>		No public debt found.



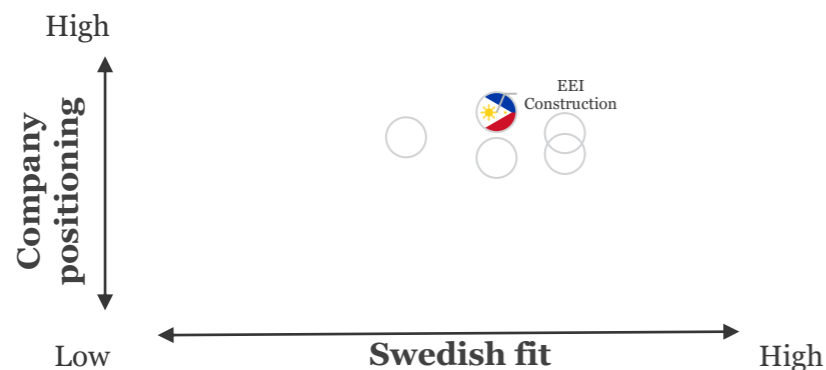
# EEI Corporation

## OVERVIEW



*Top choice contractor for EPCs in the Philippines. Involved in*

Establishment	1931
Website	<a href="https://www.eei.com.ph/">https://www.eei.com.ph/</a>
Country of origin	Philippines
Markets	Philippines, Saudi Arabia, Kuwait, Singapore, New Caledonia, Guam and Papua New Guinea
Key projects	Malolos-Clark Railway Project



## COMPANY ASSESSMENT

### COMPANY POSITIONING

- Breadth of operation** EEI Corporation works in mining, energy, transport, water and other urban infrastructure projects.
- Size of operations** Top-tier contractor with 2019 revenue of USD 481 million.
- Position on the market** EEI is recognized as one of the top contractors in the country, and are also present in other markets such as the Middle East, Guam and countries in the Pacific.

### SWEDISH FIT

- Usage of Swedish solutions** Have engagements with clients such as Atlas Copco, ABB, Volvo and SKF.
- Interest in Swedish export credit** Open to exploring how they can tap EKN/SEK funding.
- Sustainability focus** Involved in several Going Green activities, corporate social responsibility and corporate governance.
- Credit rating** No public debt.



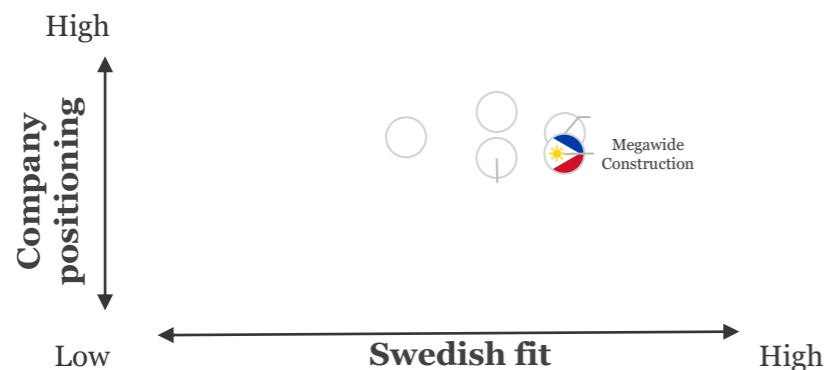
# Megawide Construction Corporation

## OVERVIEW



One of the leading EPC contractors in the Philippines

Establishment	1997
Website	<a href="https://megawide.com.ph/">https://megawide.com.ph/</a>
Country of origin	Philippines
Markets	Philippines
Key projects	Malolos-Clark Railway Project, NAIA Rehabilitation Project



## COMPANY ASSESSMENT

### COMPANY POSITIONING

- Breadth of operation** Megawide Construction has done projects in the energy, transport, urban infrastructure.
- Size of operations** Top-tier construction firm with 2019 revenue of USD 408 million.
- Position on the market** Go-to name in the business of urban development, renewable energy and major airport projects.

### SWEDISH FIT

- Usage of Swedish solutions** A known customer of Swedish companies such as ABB, Volvo, and Atlas Copco.
- Interest in Swedish export credit** Highly interested to explore Swedish export financing and has requested for a sample term sheet.
- Sustainability focus** Annually publishes a sustainability report for the company and their projects.
- Credit rating** No public debt.





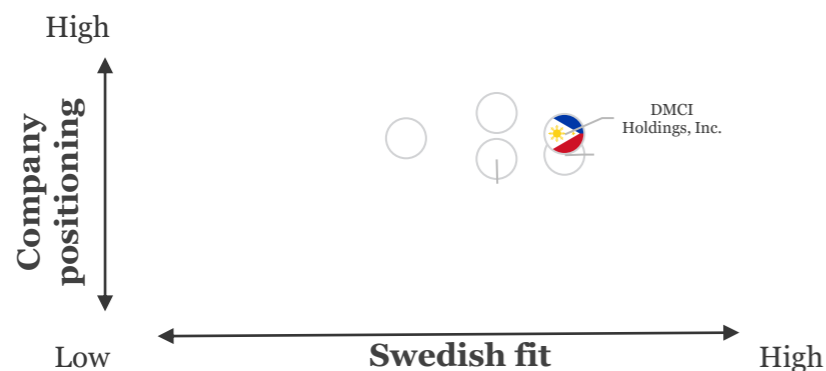
# DMCI Holdings Incorporated

## OVERVIEW



One of the leading companies in the Philippines with capabilities in mining, water services, construction, power and residential development.

Establishment	1954
Website	<a href="https://www.dmciholdings.com/">https://www.dmciholdings.com/</a>
Country of origin	Philippines
Markets	Philippines
Key projects	North-South Commuter Railway Phase 1, Small Powers Utilities Group (SPUG) projects



## COMPANY ASSESSMENT

### COMPANY POSITIONING

**Breadth of operation**



DMCI works with a number of Build, Build, Build projects in the Philippines and is also involved in mining, power, water services, and residential development.

**Size of operations**



Top-tier construction firm with 2019 revenue of USD 1,807 million.

**Position on the market**



Established name in the industry of residential development and construction related to power and water services.

### SWEDISH FIT

**Usage of Swedish solutions**



Previous distributor of Volvo, known to have engaged with ABB.

**Interest in Swedish export credit**



Interested to explore Swedish export financing and has requested for more information.

**Sustainability focus**



Annually publishes a sustainability report for the company and their projects.

**Credit rating**

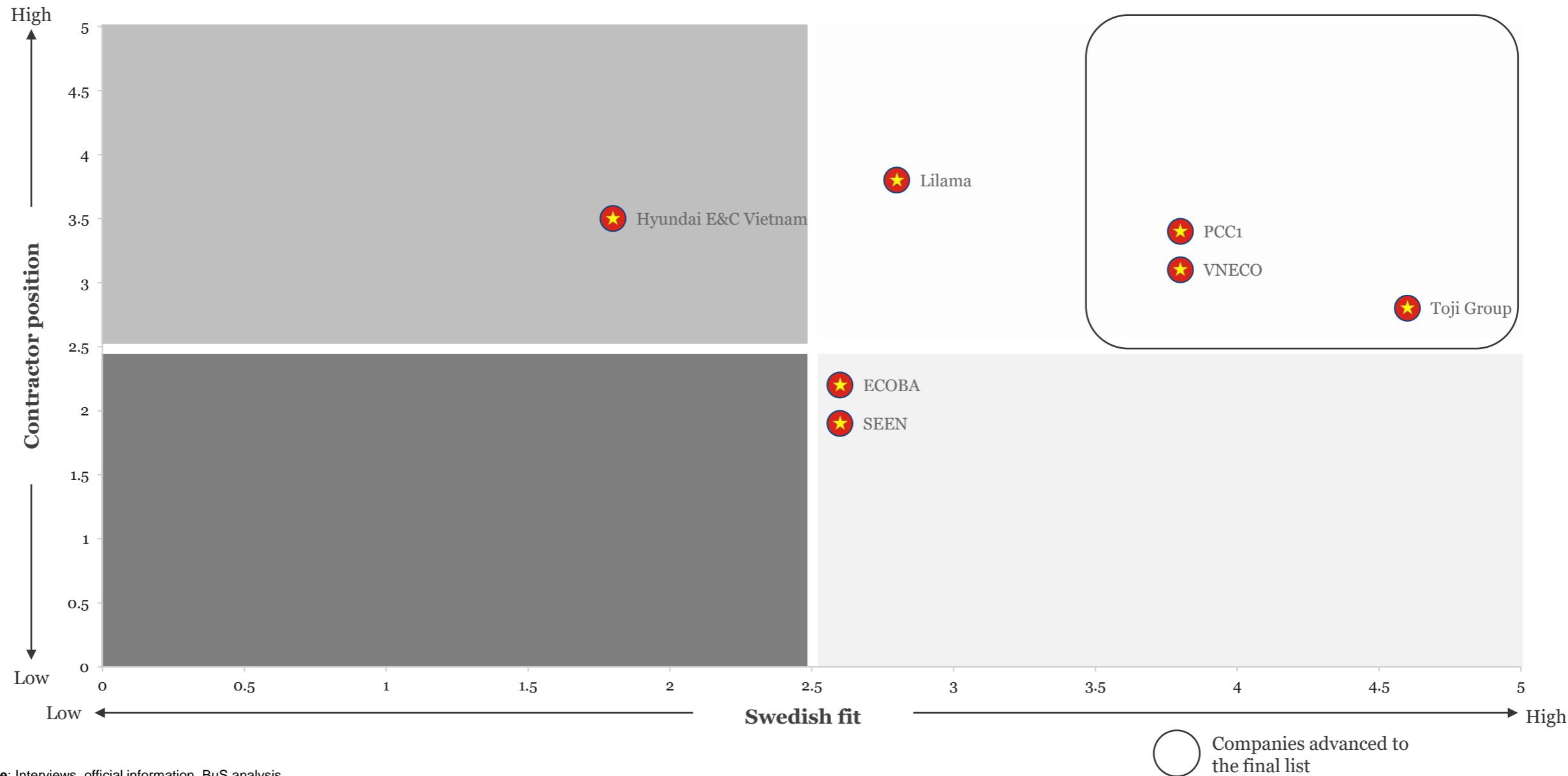


No public debt.

An aerial photograph of a city skyline at dusk. The sky is filled with large, dramatic clouds in shades of blue, purple, and orange. The city below is illuminated with lights from buildings and streets. A prominent tall skyscraper is visible on the left side of the frame. The word "VIETNAM" is overlaid in large, white, sans-serif capital letters across the center of the image.

# VIETNAM

# 3 EPC contractors in Vietnam show highest potential – Lilama shows interest but does not have suitable projects for now



Source: Interviews, official information, BuS analysis



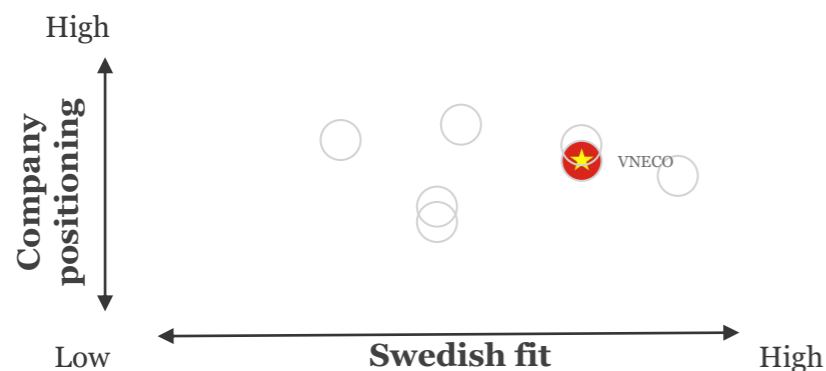
# VNECO

## OVERVIEW



A leading company in the field of EPC, transfer of technology and investment projects in power generation, transmission and substations, and real estate

Establishment	1988
Website	<a href="http://www.vneco.com.vn/en/">http://www.vneco.com.vn/en/</a>
Country of origin/Market	Vietnam
Key projects	3 solar power plants (50 MW each) 2 hydropower plants Transmission lines (500kV, 220kV, 110kV), substations (500kV, 220kV, 110kV) Real estate: 1 urban area Future: 2 wind power plants



## COMPANY ASSESSMENT

### COMPANY POSITIONING

**Breadth of operation**



Most active in construction of power transmission and substations. Heading towards EPC/PC contracts in renewable energy projects, and investing/owning projects in power generation & real estate

**Size of operations**



Revenue in 2019 ~ 65 mn USD. Expected to expand to 430 – 560 mn USD in 2025

**Position on the market**



TOP 4 power substation constructions in the country, together with PCC1, PCC2 and PCC4

### SWEDISH FIT

**Usage of Swedish solutions**



Have some experience in using ABB products, but seem to be more interested in Siemens, Vestas, etc. – as the company is heading towards owning wind projects.

**Interest in Swedish export credit**



Will consider the export credit offer, however more information needs to be provided on Swedish solutions offer. Also interested in other financing models eg. M&A, joint venture, etc.

**Sustainability focus**



Focusing on RE. Currently contracting for 2 wind power projects with total capacity of 130 MW. One offshore wind & other wind projects are in pipeline.

**Credit rating**



Highest rating by Vietnamese financial institution. Listed on HOSE (Ho Chi Minh stock exchange) in 2007.

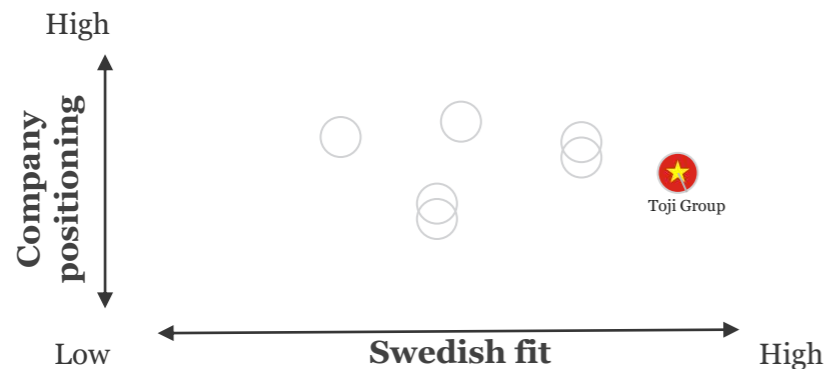
# Toji Group

## OVERVIEW






*Distributor of electrical equipment from global brands, manufacturer of electrical cabinets, and general contractor of electrical substations*

Establishment	2002
Website	<a href="http://toji.vn/">http://toji.vn/</a>
Country of origin/Market	Vietnam
Key projects	Substations (500kV, 220kV, 110kV)







## COMPANY ASSESSMENT

### COMPANY POSITIONING

- Breadth of operation**  Active in construction of power transmission lines and substations
- Size of operations**  Revenue in 2016 ~ 43 mn USD
- Position on the market**  In the middle range of the market, main customers are EVN

### SWEDISH FIT

- Usage of Swedish solutions**  Extremely familiar with ABB products as Toji both distributes ABB products to end users as well as use them in their construction projects. Purchase of ABB products costs 4-5 mn USD/year
- Interest in Swedish export credit**  Credit is needed to fund EPC contracts (about 60% of the EPC contract value) or purchase of sales inventory
- Sustainability focus**  Have been working on electricity substations for several solar and wind power projects
- Credit rating**  AA rating by Vietnamese financial institution

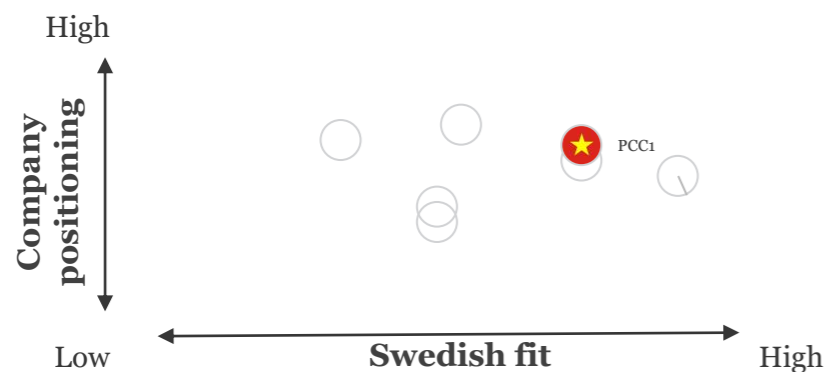
# Power Construction JSC 1 (PCC1)

## OVERVIEW



*Power Construction Joint Stock Company I (PCC1) has proven its capacity not only in the field of electrical construction but also in industrial manufacturing, investment in energy & real estate, and consulting*

Establishment	1963
Website	<a href="http://pcc1.vn/">http://pcc1.vn/</a>
Country of origin/Market	Vietnam
Key projects	EPC contractor for BIM Renewables 250 MWp North and South Other substations and transmission lines



## COMPANY ASSESSMENT

### COMPANY POSITIONING

**Breadth of operation**



PCC1's main business line is constructing substations and transmission lines. It has successfully implemented a series of EPC contracts for solar and wind power plants. It is also project owners of several power plant projects

**Size of operations**



Revenue (2019) is 259 mn USD, in which the EPC sub business unit accounts for 50%. Sales growth of EPC sub business unit is 18% in 2020. Ranked 143/500 companies with best revenue

**Position on the market**



The leading company in Vietnam for EPC general contractor for high and super high voltage electrical projects

### SWEDISH FIT

**Usage of Swedish solutions**



Quite interested in ABB solutions, would like to explore other Swedish offerings as well

**Interest in Swedish export credit**



Current loan demand of 90 mn USD, would like to have more information on how to access those credit packages

**Sustainability focus**



Currently investing on 3 wind power projects; future focus on 744 MW of RE in 2025

**Credit rating**











AA+ rated by Vietnamese commercial banks. Ranked 76/500 biggest companies in Vietnam

# Agenda

- Executive Summary
- Infrastructure Investment Trends
- EPC Contractor Mapping
- **Project Mapping**
- Recommendations and Action plans























# More than 25 quality projects associated with shortlisted contractors – many of them are high-profile undertakings with a demand for premium solutions

LOCAL PROJECTS	
 Indonesia 4 projects	
 Thailand 4 projects	
 Philippines 3 projects	
 Vietnam 5 projects	

OVERSEAS PROJECTS	
 India 3 projects	
 Indonesia 7 projects	



















 **Strong demand for advanced technology and global expertise in most projects**

HIGHLIGHTED PROJECTS IN EACH COUNTRY					
Project name	Country	Investment (BUSD)	Source of funding	Sector	Contractors involved
Toll Trans Sumatra		34	PPP		Hutama Karya
Indonesia new capital		33	PPP (TBD)		Hutama Karya
U-Tapao airport and eastern aviation city		9	PPP		Sino Thai
Bangkok mass rapid transit (Extension of purple and orange lines)		8	BOT		Sino Thai, Italian Thai
New Manila International Airport (NMIA)		15	Private		TBA
Ninoy Aquino International Airport (NAIA) Rehabilitation Project		2,1	Private		Megawide
Ghana Railway Project		0,35	Exim Bank of India		Afcons
Phong Huy/Phong Nguyen/Lien Lap Wind Power		0,22	Private		PCC1





















 = Oil & Gas  
  = Airports  
  = Transport links  
  = Renewable energy  
  = Transmission line  
  = Railway  
  = Sustainable Cities



## Multitude of infrastructure projects are in the pipeline (1/2)

Project name	Country	Investment (BUSD)	Source of funding	Sector	Project description	Status
Toll Trans Sumatra		34	PPP		Trans-Sumatra Toll Road is an under-construction toll road from Aceh in the north to Lampung in the south along the east of Sumatra Islands. The total length of the toll road will be 2,769 km	On going
Indonesia new capital		33	PPP (TBD)		Indonesia plans to move its current capital to East Kalimantan province between Samarinda City and the port city of Balikpapan	Master plan development
Bontang Oil Refinery Project		13	Private		Part of government mega project (RDMP) in providing fuel with less import dependency. Pertamina as NOC plan to build 1 new refineries and expand 4 existing one	DED Development
Bali Airport		2	Private		BNIA is projected to balance the tourism development in Northern Bali. Besides the existing airport is susceptible of the volcanic eruption and overcapacity	Construction preparation. Development of Runway is expected to start in 2021
New Manila International Airport (NMIA)		15	Private		The New Manila International Airport (NMIA) will be located in Bulacan, about 35km north of Manila, aims to help decongest the Ninoy Aquino International Airport (NAIA)	On going
Ninoy Aquino International Airport (NAIA) Rehabilitation Project		6,7	Private		The Ninoy Aquino International Airport (NAIA) is the main airport servicing the greater Metro Manila. Rehabilitation project to increase passenger capacity	On going
Malolos-Clark Railway Project		6,1	Public		The Malolos-Clark Railway project is a 53.1km railway project that will connect Malolos to Clark economic zone and Clark International Airport (CIA) in central Luzon	On going
Ghana Railway Project		0,35	Exim Bank of India		84.8 kilometre standard gauge railway line from Tema Port near Accra. Afcons is the tentative contractor	Awaiting funding
Al Dhakhliya Water Transmission System, Phase – II		0,34	N/A		173km of pipelines for water transmission with associated civil works, construction of 18 RCC water storage reservoirs, five pumping stations. L&T is the contractor	Project awarded

## Multitude of infrastructure projects are in the pipeline (2/2)

Project name	Country	Investment (BUSD)	Source of funding	Sector	Project description	Status
U-Tapao airport and eastern aviation city		9	PPP		Eastern aviation city project was awarded to a winner to develop U-Tapao airport and aviation industry	Investment
Bangkok mass rapid transit (Extension of purple and orange lines)		8	BOT		Upcoming 2 extension urban rail lines in Bangkok that will be awarded soon	Planning
High-Speed Rail Linking Three Airports Project		7	PPP		High speed rail that will link 3 airports in Bangkok and Chonburi	Investment
Community powerplants		1	Private		Thai government aims to change regulation to allow small privately owned powerplants to feed-in electricity into the national grid	Planning
Lien Lap Wind Power		0,071	Private		SPV is the consortium of PCC1 (EPC contractor) and RENOVA (Japanese contractor). Total installed capacity of 48 MW	Ongoing
Phong Huy Wind Power		0,074	Private		SPV is the consortium of PCC1 (EPC contractor) and RENOVA (Japanese contractor). Total installed capacity of 48 MW	Ongoing
Phong Nguyen Wind Power		0,074	Private		SPV is the consortium of PCC1 (EPC contractor) and RENOVA (Japanese contractor). Total installed capacity of 48 MW	Ongoing
BIM Wind Power		N/A	Private		PCC1 is bidding for the EPC contract offered by BIM Energy Company	Bidding
500 KV transmission line		0,043	PPP/BOT		500 KV transmission line in Quang Tri. SPV is VNECO. Looking for financing and SPV partner	Planning
Saudi Electricity Company (SEC)		0,02	N/A		Construction of 132kV Overhead Transmission line (OHTL) between East Qurayyat Substation and Qurayyat BSP. Connection of Sakaka-D Substation with 132kV network. L&T is tentative contractor	Awaiting tender award



# INDIA



# Ghana Railway Project

## OVERVIEW



Afcons is interested in getting further funding for a railway project in Ghana: An 85km railway between the port of Tema and Akosombo, a port on the lower end of the Volta River, as well as two railway terminals

## KEY STAKEHOLDERS

Project owner



Government of Ghana

EPC Contractor



Financier



## INVESTMENT SIZE & SOURCE OF FUNDING

350 mn USD



**Planned investment:** India Exim will extend a 398.33 mn USD buyer's credit that lasts for 12 years to finance the design and construction.

## TIMELINE & STATUS



**Nov 22**  
Agreement signed between Ghana government and India Exim bank

Awaiting funding



# Saudi Electricity Company (SEC) project

## OVERVIEW



L&T has just been tendered for the two turnkey projects awarded by the SEC:

1. Construction of 132kV Overhead Transmission line (OHTL) between East Qurayyat Substation and Qurayyat BSP
2. Connection of Sakaka-D Substation with 132kV network

## KEY STAKEHOLDERS

**Project owner**



**Turnkey Contractor**



- designing, engineering
- materials procurement
- quality management
- factory inspection/testing
- transport and delivery to site
- Installation & construction
- site inspection
- testing and commissioning

## INVESTMENT SIZE & SOURCE OF FUNDING

20 mn USD



**Planned investment:** N/A

## TIMELINE & STATUS

2020

2021

2022

final acceptance of the work within 17 months from the date of contract signed

**July**

L&T won the contract with the lowest bid of 20.5 mn USD



# Al Dhakhlia Water Transmission System, Phase – II

## OVERVIEW



173km of pipelines for water transmission in Oman with associated civil works, construction of 18 RCC water storage reservoirs, five pumping stations with associated mechanical, electrical, control and instrumentation work

## KEY STAKEHOLDERS

**Project owner**



الهيئة العامة للكهرباء والمياه  
Public Authority for Electricity & Water  
Public Authority for Water (DIAM), Oman

**EPC Contractor**



**Engineering services divided in 2 phases**

- **Phase 1 (Short Term Works)**
  - Preliminary Design
  - Detailed Design
  - Tender Documents
  - Evaluation of Bidders
  - Construction Supervision
- **Phase 2 (Long Term Works)**
  - Outline Design
  - Tender Documents
  - Evaluation of Bids

## INVESTMENT SIZE & SOURCE OF FUNDING

340 mn USD



**Planned investment:** N/A

## TIMELINE & STATUS



L&T won the tender for EPC contractor



# INDONESIA

# Indonesia New Capital

## OVERVIEW



Indonesia plans to move its current capital to East Kalimantan province between Samarinda City and the port city of Balikpapan. Construction is expected to begin in Q2 2021 on a plot of 40,000 hectares

## KEY STAKEHOLDERS

### Project owner



### Survey



### Financier

(Indicative Stakeholders)



### Design



### Consulting

McKinsey & Company

AECOM nikken.jp

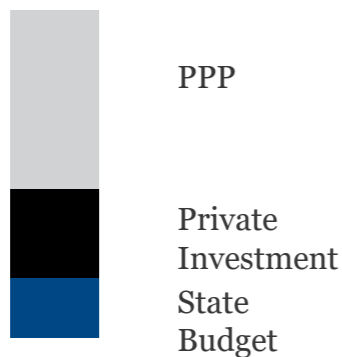
### Construction

(Indicative Stakeholders)



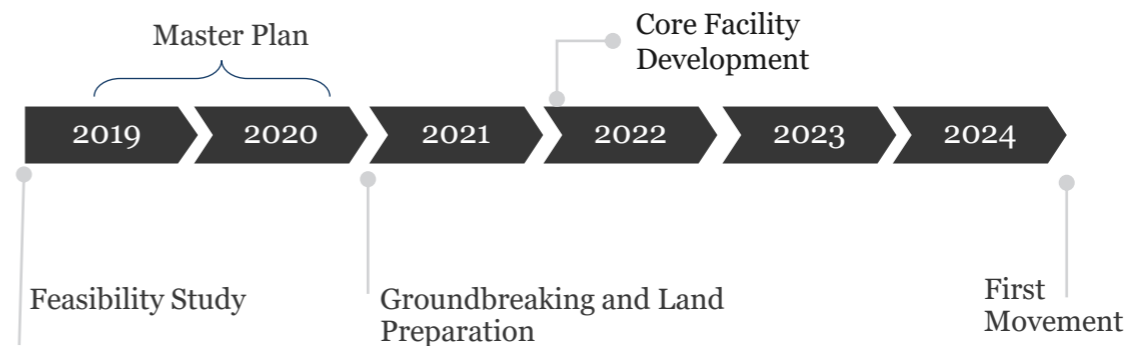
## INVESTMENT SIZE & SOURCE OF FUNDING

33 BUSD



**Planned investment:** 33 BUSD, out of which 6 BUSD will be allocated from state budget; the rest comes from PPP and Private Investment

## TIMELINE & STATUS





# Trans-Sumatera Toll Road

## OVERVIEW



Trans-Sumatra Toll Road is an under-construction toll road from Aceh in the north to Lampung in the south along the east of Sumatra Islands. The total length of the toll road will be 2,769 km, consisting of 25 sub sections

## KEY STAKEHOLDERS

### Project owner



### Financier



### Consulting



### Survey

### Design

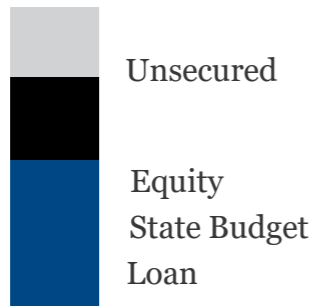


### Construction



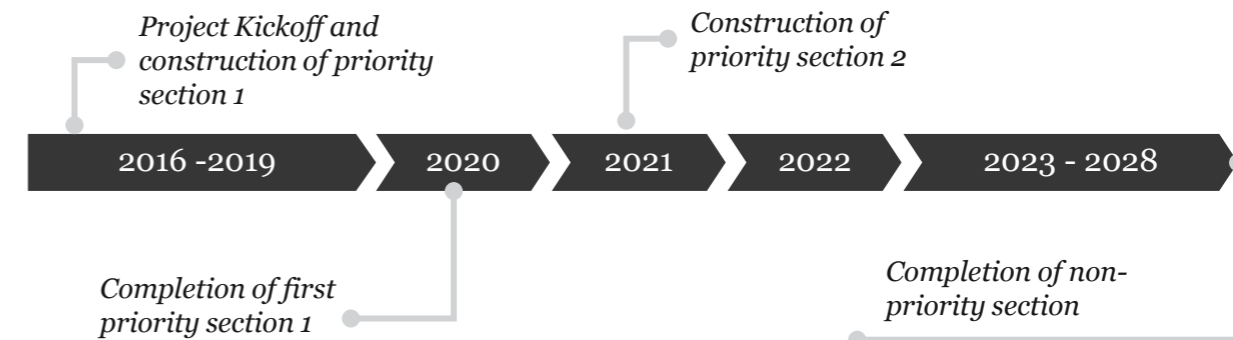
## INVESTMENT SIZE & SOURCE OF FUNDING

34 BUSD



**Planned investment:** 34 BUSD, out of which 3 BUSD will be allocated from company equity; 1 BUSD from state budget and the rest comes from domestic

## TIMELINE & STATUS



# Bali New International Airport

## OVERVIEW



BNIA is projected to balance the tourism development in Northern Bali. Besides the existing airport is susceptible of the volcanic eruption and overcapacity

## KEY STAKEHOLDERS

### Project owner



Bali Province Government

### Survey

### Financier



Kinesis - Canada

### Design

Tridaya Pamurtya

### Consulting



Landrum & John

### Construction



Angkasa Pura | AIRPORTS

## INVESTMENT SIZE & SOURCE OF FUNDING

2 BUSD



Private

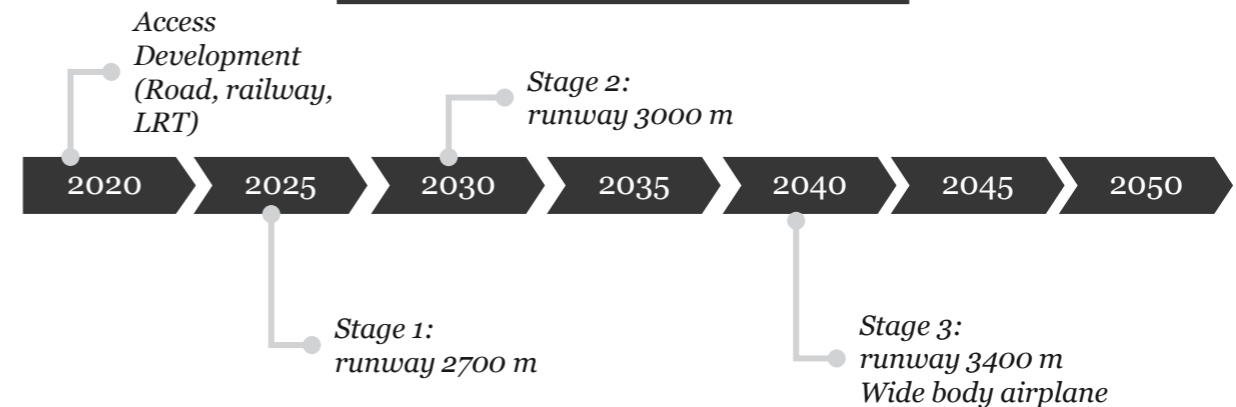
State

ODA

**Planned investment:** Some scenarios is still being built. Including to build floating airport which will cost 2 BUSD.

Will be financed mainly by private sectors and local state companies

## TIMELINE & STATUS



# Tuban Refinery project

## OVERVIEW



Part of government mega project (RDMP) in providing fuel with less import dependency. Pertamina as NOC plan to build 1 new refineries and expand 4 existing one

## KEY STAKEHOLDERS

### Project owner



### Financier



### Consulting



### Survey



### Design

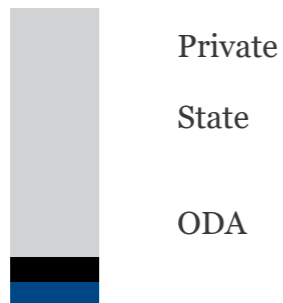


### Construction



## INVESTMENT SIZE & SOURCE OF FUNDING

13 BUSD

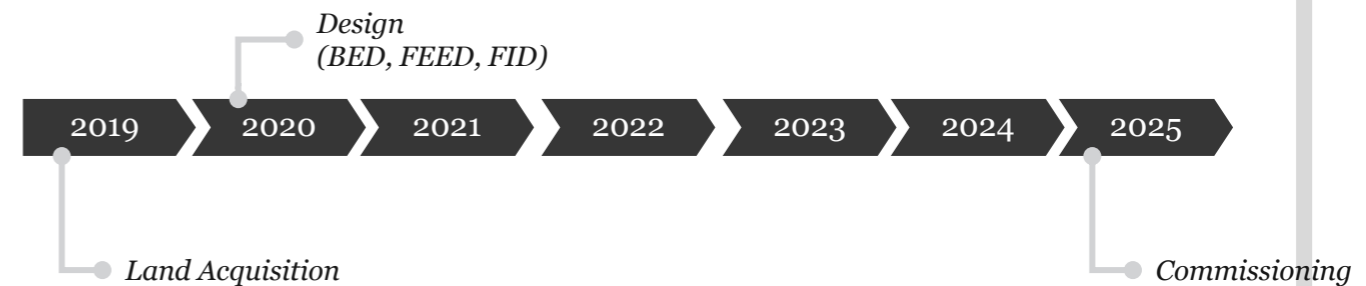


### Planned investment:

Investment will be mainly by Pertamina (SOE) and Rosneft. Very limited state budget allocated to this project

Pertmaina mainly providing the land and technology while Rosneft mainly in technology

## TIMELINE & STATUS



# Sg. Limbang Cable Stayed Bridge Malaysia - Brunei

## OVERVIEW



Cable bridges that will connect Sarawak to Brunei. Total length 772.4 m and width 20,6 m

## KEY STAKEHOLDERS

Project owner



Government of Malaysia

Financier



Government of Malaysia

Construction



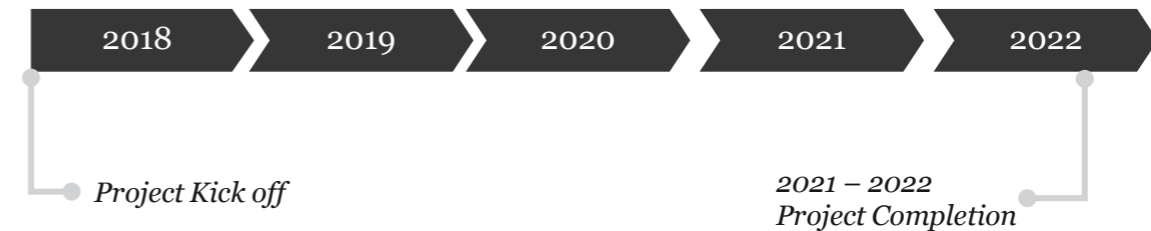
## INVESTMENT SIZE & SOURCE OF FUNDING

36 MUSD



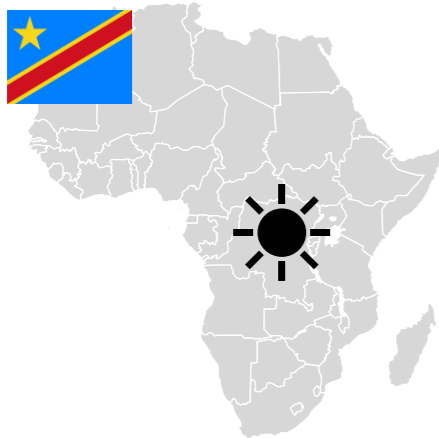
**Planned investment:** 36 MUSD, funded by the government of Malaysia

## TIMELINE & STATUS



# Solar Power Plant development – Republic of Congo

## OVERVIEW



WIKI would partner up with a US-based construction service provider, Sandi Group (TSG) Global Holdings, to build a 200MW electric solar panel farm in the Congo where Wika would handle the engineering, procurement and construction of the project. The programme would be the first phase of a plan to build a 1,000MW solar power plant in the country

## KEY STAKEHOLDERS

**Project owner**



Government of Congo

**Financier**

**Construction**



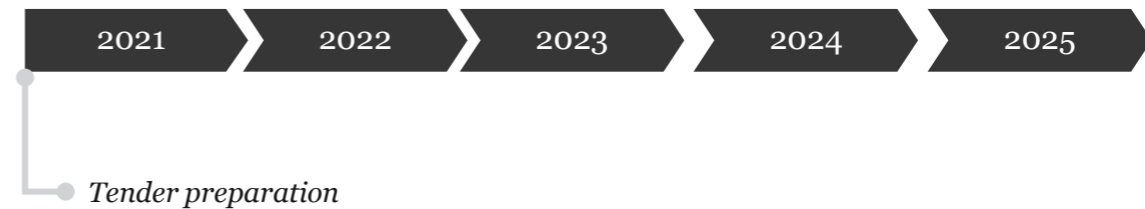
## INVESTMENT SIZE & SOURCE OF FUNDING

700 MUSD



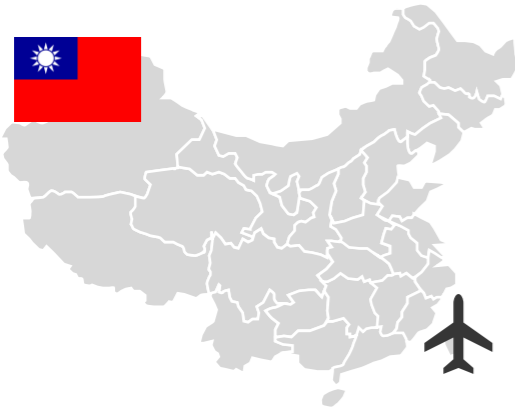
**Planned investment:** 700 MUSD

## TIMELINE & STATUS



# Taiwan Taoyuan International Airport's Terminal 3

## OVERVIEW



Development of new terminal at Taiwan International airport. 6.9 million square feet of floor space, that will accommodate 45 million passenger/trips a year

## KEY STAKEHOLDERS

**Project owner**



**Financier**

**Construction**



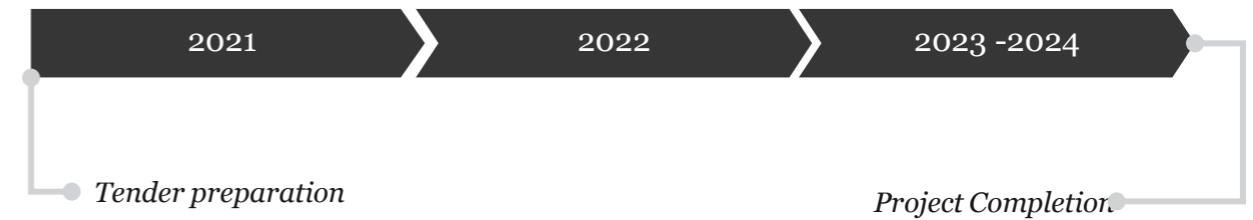
## INVESTMENT SIZE & SOURCE OF FUNDING

2.6 BUSD



**Planned investment:** 2.6 BUSD

## TIMELINE & STATUS



An aerial photograph of a city skyline at dusk. The sky is a mix of light blue and grey, with some clouds. The city is densely packed with buildings of various heights and colors. Many windows are lit up, creating a warm glow. The word "THAILAND" is written in large, white, sans-serif capital letters across the center of the image.

# THAILAND



# High-Speed Rail Linking Three Airports Project

## OVERVIEW



The rail will connect Bangkok and eastern seaboard

The project to build a rail network connecting 3 airports; Suvarnabhumi, Don Muang and U-Tapao. The network will also connect Bangkok and the eastern seaboard which is the largest industrial area in Thailand

## KEY STAKEHOLDERS

### Project owner



### Financier\*



JAPAN BANK FOR INTERNATIONAL COOPERATION



国家开发银行  
CHINA DEVELOPMENT BANK



ธนาคารกรุงเทพ  
Bangkok Bank



GSB



SCB

### Main Contractors



中国铁建



## INVESTMENT SIZE & SOURCE OF FUNDING

7 BUSD



Foreign loan\*

Domestic loan\*

Government subsidy

**Planned investment:** Government will subsidize around 5b. USD. For the rest 2 b. USD, there are reports that CP aim to loan domestically 70%, while another 30% would be from foreign market. Several Thai and Chinese banks have been involved in the deal

## TIMELINE & STATUS



Source: Interviews, prachachart, EEC, Thairath \* Still under discussion





# Bangkok mass rapid transit (Extension of purple and orange lines)

## OVERVIEW



Bangkok is eager to expand its urban rail network. The government plans to do major extension in 2 rail lines; (purple and orange lines) adding 37 km. into the system. The total budget is estimated at 8 b. USD.

## KEY STAKEHOLDERS

### Project owner



### Concessionaire\*



### Contractors\*



## INVESTMENT SIZE & SOURCE OF FUNDING

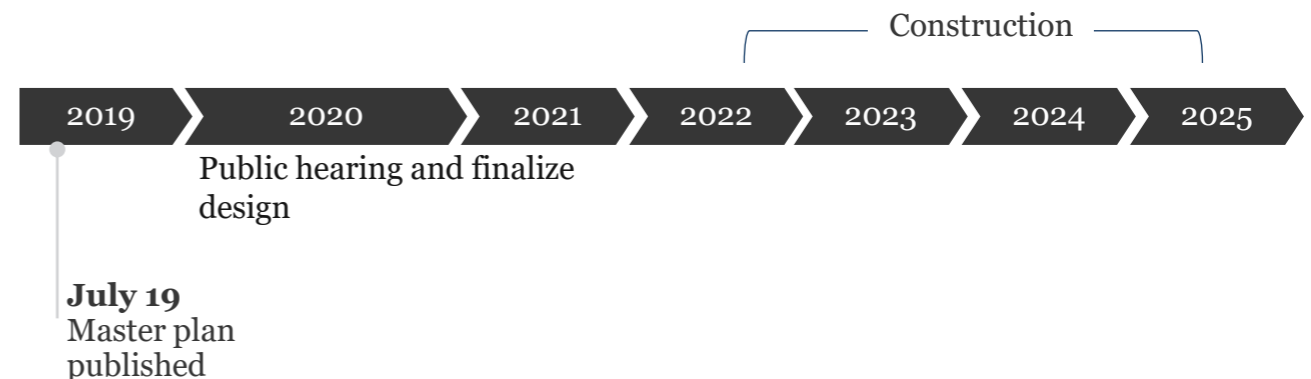
8 BUSD



Undecided

**Planned investment:** The total projects value is estimated at 8 b. USD. Bidder who offer least subsidy would win the projects. However, additional investment from the winner is expected as they will operate the system for 30-45 years

## TIMELINE & STATUS



# U-Tapao airport and eastern aviation city

## OVERVIEW



Eastern region is a key area for Thai economy. A well-known Pattaya is a top destination for international travelers. The eastern seaboard is also a manufacturing hub with a largest Thai deep seaport in the area. U-Tapao airport aims to be an alternative choice for travelers, and surrounded areas will be develop for aviation industry

## KEY STAKEHOLDERS



## INVESTMENT SIZE & SOURCE OF FUNDING

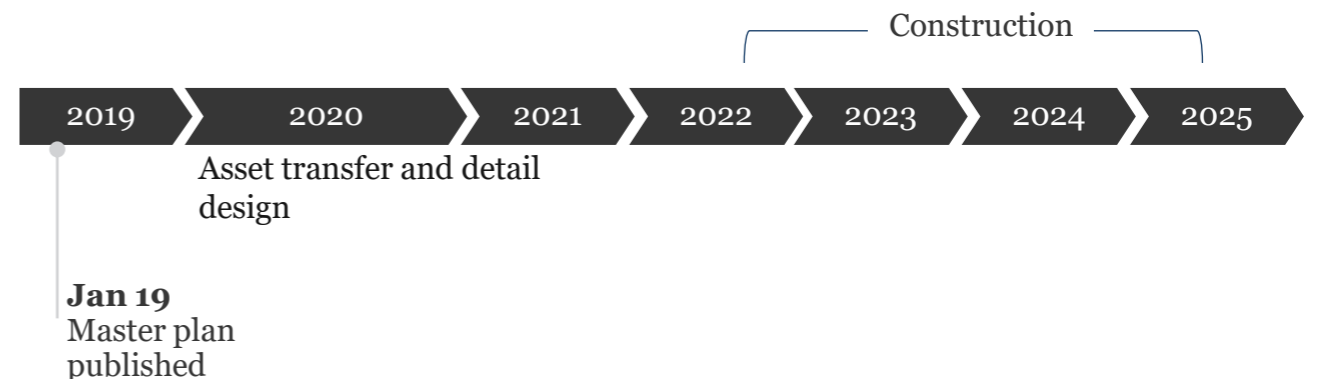
9 BUSD



Undecided

**Planned investment:** Government will subsidize around 5b. USD. For the rest 2 b. USD, there are reports that CP aim to loan domestically 70%, while another 30% would be from foreign market. Several Thai and Chinese banks have been involved in the deal

## TIMELINE & STATUS





# Community powerplants

## OVERVIEW



The project aims to allow private companies to generate electricity from Bio-mass, Bio-gas and Solar feeding into the national grid. The plants must be small power plants; lower than 10 Mwh, and joint venture with local communities

## KEY STAKEHOLDERS

Project regulator



EPC\*



## INVESTMENT SIZE & SOURCE OF FUNDING

1 BUSD



Undecided

**Planned investment:** It is estimated the total investment from private companies to build small power plants will be around 1 b. USD

## TIMELINE & STATUS



A wide-angle photograph of a city skyline at sunset. The sky is a mix of orange, pink, and purple, with scattered clouds. The city buildings are silhouetted against the bright horizon, with some lights beginning to glow. The word "PHILIPPINES" is written in large, bold, white, sans-serif capital letters across the center of the image.

# PHILIPPINES

# New Manila International Airport (NMIA)

## OVERVIEW



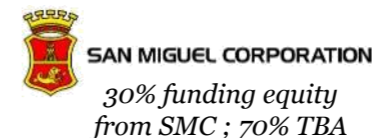
The New Manila International Airport (NMIA) will be located in Bulacan, about 35km north of Manila. The new airport aims to help decongest the Ninoy Aquino International Airport (NAIA), that is currently servicing the aviation demands of the greater Metro Manila and nearby cities.

## KEY STAKEHOLDERS

### Project owner



### Financier



### Consulting



### Quality Consultant

Jacobs

### Design

TBD

### Construction

TBD

## INVESTMENT SIZE & SOURCE OF FUNDING

USD 15 billion

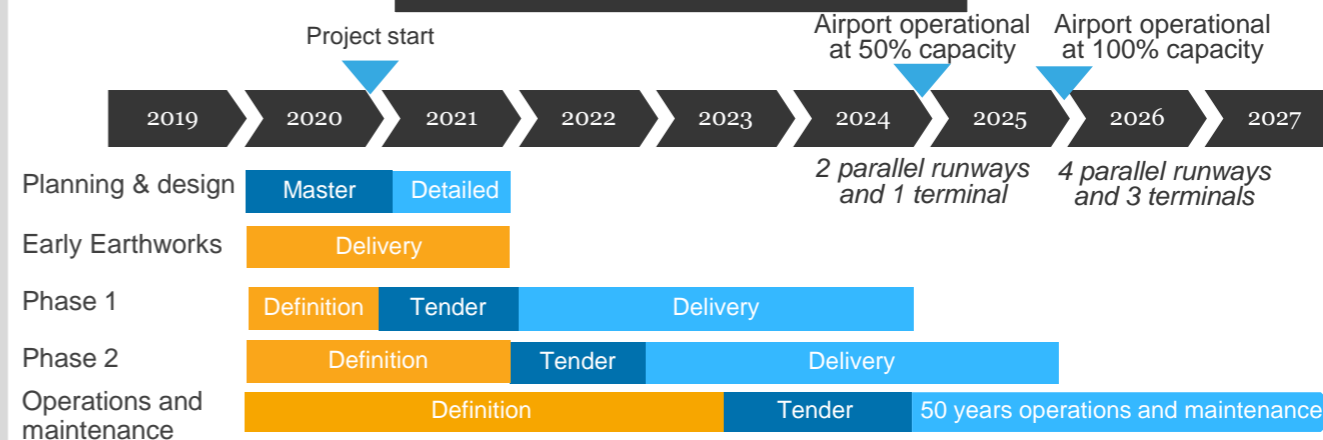


TBA

San Miguel Corporation (SMC)

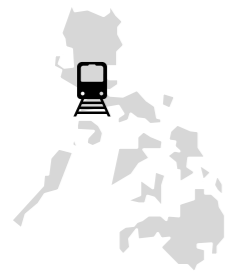
**Planned investment:** Large project size of USD 15.0 billion. Funding is not secured, but 30% expected to be SMC equity. Rest will be secured via debt once concession is signed.

## TIMELINE & STATUS



# NSCR Phase 2 Malolos-Clark Railway Project and Manila to Calamba

## OVERVIEW



The Malolos-Clark Railway project is a 53.1km railway project that will connect Malolos to Clark economic zone and Clark International Airport (CIA) in central Luzon. It is Phase 2 Southern section of the bigger North-South Commuter Railway Project. It is expected to be completed in 2023/2024 and is expected to total to USD 6.1 billion.

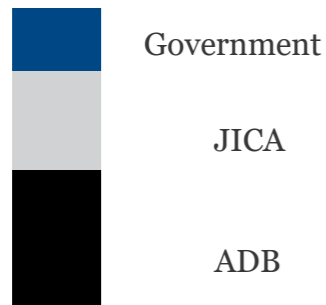
The North-South Commuter Railway Project is targeted to be finished by 2025.

## KEY STAKEHOLDERS



## INVESTMENT SIZE & SOURCE OF FUNDING

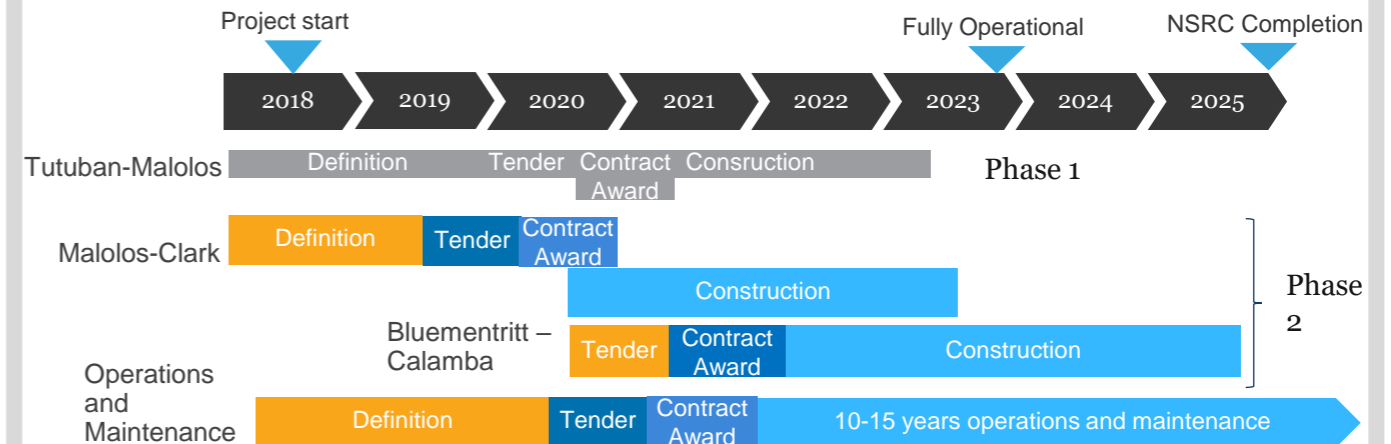
USD 6.1 billion



**Planned investment:** USD 2,75 billion worth of funding will come from a loan from the Asian Development Bank (ADB), while USD 2 billion will be funded by JICA for the Malolos-Clark section.

Separate funding structure for the Bluementritt – Calamba section of the project. Estimated at USD ~5 billion.

## TIMELINE & STATUS



Source: Interviews, official information,

# Ninoy Aquino International Airport (NAIA) Rehabilitation Project

## OVERVIEW



The Ninoy Aquino International Airport (NAIA) is the main airport servicing the greater Metro Manila. Currently, NAIA's passenger capacity is 31 million, however, passengers have grown to about 43 million in 2018 resulting in congestion. Last July 2020, the consortium of Megawide Construction Corp and GMR Group (India) secured original proponent status (OPS) for this rehabilitation project\*. The contract is still subject to a Swiss challenge.

## KEY STAKEHOLDERS



**Project owner and Financier**

Megawide-GMR Consortium

**Suppliers and Operators**

TBD

**Technical Adviser**

TBD

**Construction**



## INVESTMENT SIZE & SOURCE OF FUNDING

USD 2.1 billion



TBA

**Planned investment:** USD 2.1 billion over a 15-year period. Demand for solutions related to modernization is expected to be high. No funding secured yet, but structure likely a mix of debt and equity.

## TIMELINE & STATUS



Phase 1

Phase 2

Phase 3

Operations and Maintenance

**Scope of work:** Due to recent change in project ownership, previous scope of work is also expected to change. However, since negotiations are on-going, all information are deemed confidential to date.

Source: Interviews, official information, BuS analysis \* The NAIA rehabilitation project was recently under a consortium of Philippine conglomerates, whose final proposal was rejected by the Department of Transport.

An aerial photograph of a city skyline at dusk. The sky is filled with large, dramatic clouds in shades of blue, purple, and orange. The city below is illuminated with streetlights and building lights. A prominent skyscraper stands on the left side of the frame. The word "VIETNAM" is overlaid in large, white, sans-serif capital letters across the center of the image.

# VIETNAM



# Lien Lap Wind Power Project

## OVERVIEW



Lien Lap Wind Power Project was previously owned by Lien Lap Wind Power Company, which was then acquired by PCC1. The installed capacity of the project is 48 MW

## KEY STAKEHOLDERS



Project owner and Financier

PCC1-RENOVA Consortium

EPC



Equipment supplier / Operator



## INVESTMENT SIZE & SOURCE OF FUNDING

71 mn USD



RENOVA: 40%

PCC1: 60%

**Planned investment:** 71 mn USD (1,656 bn VND) – debt ratio is expected to be 70%

## TIMELINE & STATUS



# Phong Huy Wind Power Project

## OVERVIEW



Phong Huy Wind Power Project was previously owned by Phong Huy Wind Power Company, which was then acquired 96% by PCC1. The installed capacity of the project is 48 MW. The power plant will be built at Tan Thanh and Huong Tan commune, Huong Hoa district

## KEY STAKEHOLDERS



Project owner and Financier

PCC1-RENOVA Consortium

EPC



Equipment supplier / Operator



## INVESTMENT SIZE & SOURCE OF FUNDING

74 mn USD



RENOVA: 40%

PCC1: 60%

**Planned investment:** 74 mn USD (1,728 bn VND) – debt ratio is expected to be 70%

## TIMELINE & STATUS



# Phong Nguyen Wind Power Project

## OVERVIEW



Phong Nguyen Wind Power Project was previously owned by Phong Nguyen Wind Power Company, which was then acquired 96% by PCC1. The installed capacity of the project is 48 MW. The power plant will be built at Tan Thanh and Huong Phung commune, Huong Hoa district

## KEY STAKEHOLDERS



Project owner and Financier

PCC1-RENOVA Consortium

EPC



Equipment supplier / Operator



## INVESTMENT SIZE & SOURCE OF FUNDING

74 mn USD



RENOVA: 40%

PCC1: 60%

**Planned investment:** 74 mn USD (1,728 bn VND) – debt ratio is expected to be 70%

For these three wind power projects, PCC1 has requested to take a loan of **~90 mn USD**

## TIMELINE & STATUS



# Agenda

- Executive Summary
- Infrastructure Investment Trends
- EPC Contractor Mapping
- Project Mapping
- **Recommendations and Action plans**



# It's recommended to target large & medium scale local contractors and their project owners – educating players about Swedish ECA solutions critical

## RECOMMENDATIONS















<b>WHAT?</b>	 <p><b>Target high technology projects</b></p>	<ul style="list-style-type: none"> <li>Team Sweden should <b>target projects which require high technology that cannot be easily imitated or projects in which Sweden has absolute advantage</b> due to fierce competition in technology offerings as well as credit offers from East Asian countries. Smaller projects and low-key projects will likely use lower specifications and thus be more open to competition from ex. China and Korea</li> </ul>
<b>WHO?</b>	 <p><b>Target medium &amp; large local contractors to maintain &amp; grow Swedish content</b></p>	<ul style="list-style-type: none"> <li>There is potential to work closer with contractors in order to <b>maintain and grow</b> Swedish content (and protect against foreign competition) as the markets grow. Swedish ECA financing can be an added tool to accomplish this. <b>Larger scale contractors in Indonesia, India and Thailand</b> can be targeted for projects in other developing markets, whereas <b>medium scale contractors in all countries should be targeted for domestic projects.</b></li> </ul>
	 <p><b>Deploy multi-stakeholder approach in early project phases</b></p>	<ul style="list-style-type: none"> <li>Although EPC contractors sometimes use financing for their own needs, <b>often they use it to “pitch” contractors</b> - it is <b>important to keep a tight relation with both the contractor and the project owner.</b> Several other stakeholders are also involved in setting tender specifications for procurement, such as detailed design firms, etc. It's important to approach stakeholders early to be able to influence project design and thereby laying the foundation to be able to secure 30% Swedish content.</li> </ul>
<b>HOW?</b>	 <p><b>Educate stakeholders &amp; consider pitching “gap financing”</b></p>	<ul style="list-style-type: none"> <li>Although contractors have a fair awareness of Swedish solutions, <b>they are not very aware of Swedish ECA solutions</b> – this is also applicable among Swedish subsidiaries. There is a need to educate contractors about the Swedish financing offering &amp; guide them on how to achieve the 30% Swedish content. There's also a need to <b>articulate selling points to counter competition from cheap Japanese, Korean &amp; Chinese financing.</b> Using Swedish ECA financing as gap financing may be considered.</li> </ul>


# In Southeast Asia, a two-step approach is recommended to further qualify identified opportunities and initiate a deal pursuit to convert prioritized projects

## PHASE 1: BUSINESS SWEDEN INITIAL REACHOUT & SCREENING OF EPCS Q1/Q2 2021

## PHASE 2: DEAL PURSUIT Q2/Q4 2021


ACTIVITY

Project name	Country	Investment (BUSD)	Sector	Contractors involved
Toll Trans Sumatra		34		Hutama Karya
Indonesia new capital		33		Hutama Karya
U-Tapao airport and eastern aviation city		9		Sino Thai
Bangkok mass rapid transit (Extension of purple and orange lines)		8		Sino Thai, Italian Thai
New Manila International Airport (NMIA)		15		TBA
Ninoy Aquino International Airport (NAA) Rehabilitation Project		2,1		Megawide
Phong Huy/Phong Nguyen/Lien Lap Wind Power		0,22		PCC1




**Focus and identification**

- Target EPCs in Indonesia, Thailand, Philippines and Vietnam
- Reach out to EPCs to investigate interest in Swedish financing and solutions



**Initiate discussions**

- Arrange EPC meetings with EKN and SEK and the Swedish suppliers
- Identify and qualify project opportunity



**Matchmaking event**

- Establish network and conduct matchmaking with preferred EPC partners and international banks

TEAM SWEDEN

