



GLOBAL INFRASTRUCTURE

The Changing Face of Infrastructure

Frontline Views from Private Sector Infrastructure Providers

Perspectives on investment, skills and training, sustainability, and working with governments

KPMG INTERNATIONAL

Economist Intelligence Unit

The
Economist

A global research report
commissioned by KPMG
International and conducted
in cooperation with the
Economist Intelligence Unit.

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The views and opinions expressed herein are those of the individuals surveyed and do not necessarily represent the views and opinions of the Economist Intelligence Unit, KPMG International or KPMG member firms. The information contained is of a general nature and is not intended to address the circumstances of any particular entity.

Due to rounding/the exclusion of "don't know" responses, graph totals may not equal 100 percent.

The World Bank definition of "governmental effectiveness" was provided to respondents during the survey, and specified as "the quality of public services, the quality of civil service and the degree of its interdependence from political pressure, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies."



About the research



In order to understand the challenges that private sector infrastructure providers face in creating and maintaining infrastructure, the Economist Intelligence Unit (EIU), on behalf of KPMG International, conducted a survey during June and July 2009 of 455 senior executives directly involved in the development, delivery, operation/maintenance, provision of financing, or providing advice in the transportation, energy, social services, and water sectors. Of these, 63 percent were C-suite or board level, with 22 percent being CEOs. Respondents came from 69 countries around the world.

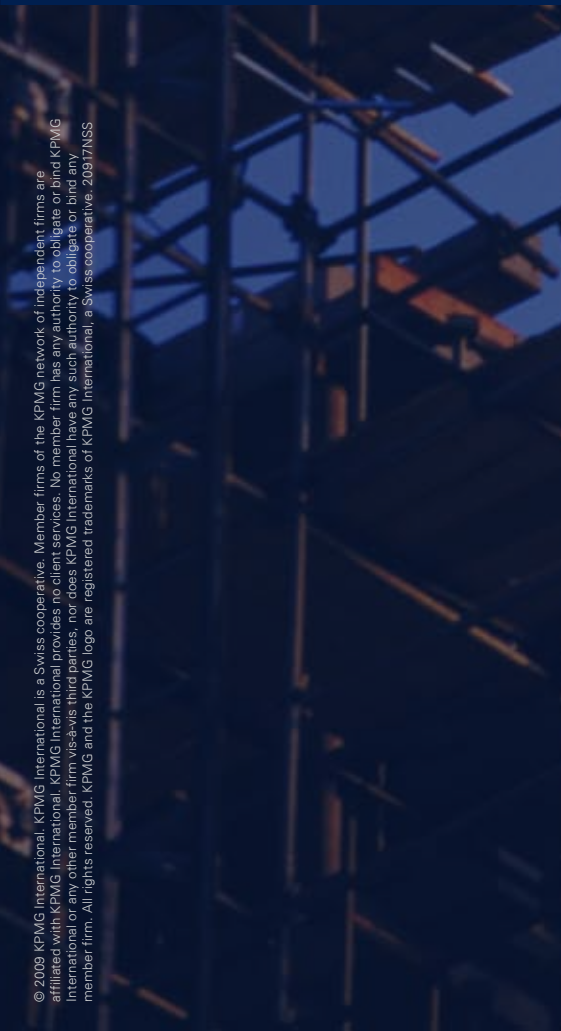
Respondents by region

Asia-Pacific:	25 percent
Eastern Europe:	7 percent
Latin America:	7 percent
Middle East and Africa:	7 percent
North America:	28 percent
Western Europe:	25 percent



Foreword

Written by KPMG



Many governments worldwide are facing the significant challenge of finding effective, long-term strategies for delivering infrastructure. Private sector infrastructure providers¹ are expected to play an increasing role in helping governments deliver the infrastructure improvements demanded by society.

Earlier this year, KPMG International (KPMG) in cooperation with the Economist Intelligence Unit (EIU) conducted a survey of C-level business executive views of the impact of infrastructure on their business competitiveness and that of their national economies.²

In this new survey report, we delve deeper into some of the issues raised—asking private sector executives³ who work with governments on the front lines of delivering infrastructure for their perspectives on where they believe the biggest obstacles and opportunities lie.

The EIU's report of the survey results is presented on the following pages. The key findings include:

- **Concern regarding governmental effectiveness** – Private sector infrastructure providers globally cited governmental effectiveness as their biggest concern and likely to inhibit the delivery of required infrastructure (69 percent). They ranked economic conditions second (63 percent) and availability of financing third (60 percent).
- **Improving processes and partnering** – When asked how governmental effectiveness could most likely be improved, almost half the respondents cited depoliticization of infrastructure project priorities (45 percent) followed by increased transparency (44 percent), and a greater use of public-private partnerships (40 percent).
- **Government support for financing** – Only 5 percent of global respondents think that financing availability issues will resolve themselves. Many private sector providers believe that government intervention is needed, with 37 percent calling for direct government contributions or co-lending, 36 percent suggesting more favorable risk allocation, and 35 percent suggesting government loan guarantees.
- **Insufficient investment** – Despite most recent economic stimulus funding, 46 percent of respondents are very concerned that the level of infrastructure investment is not sufficient for the long-term growth of their national economies. They are even more concerned, perhaps unsurprisingly, that spending is not enough to sustain the long-term growth of their own businesses (72 percent).
- **Long-term skills training** – Even if governments are able to adequately back infrastructure and improve processes, respondents indicated that they may be facing skills shortages. Forty-seven percent of respondents expressed concern about a lack of availability of people and skills. They suggest steadier spending on infrastructure (68 percent) and increased training and education (66 percent) to help combat the issue.

“Political, social, environmental, and regulatory gridlock is suffocating the infrastructure deal flow pipeline—not just in the U.S. but globally. This raises questions in my mind like: Why is the private sector continuing to offer a legal, financing, and technical solution, when the most severe roadblocks are fundamentally institutional in nature? Could the private sector do more to invest in public relations, coalition building, and strategic communications skills? How do we ensure that governments are trained with much-needed project preparation skills? We need a longer-term view towards fostering much-needed public-sector capacity and leadership in a sector worth trillions of dollars in coming decades.”

~ Ryan J. Orr

*Executive Director, Collaboratory
for Research on Global Projects,
Stanford University*

¹ Businesses directly involved in the provision of infrastructure – whether through development, delivery, operation/maintenance, the provision of financing, or advice.

² KPMG International in cooperation with the Economist Intelligence Unit, *Bridging the Global Infrastructure Gap*, January 2009.

³ Businesses directly involved in the provision of infrastructure – whether through development, delivery, operation/maintenance, the provision of financing, or advice.

The private sector infrastructure providers surveyed are quite clear in their concerns and how the factors listed above are slowing or preventing their delivery of much-needed infrastructure improvements.

In line with the C-level business executive views explored in our earlier research, infrastructure providers' perspectives seem to further highlight the imperative for governments and the private sector to find ways to work more effectively together in solving infrastructure challenges. After all, infrastructure is a fundamental building block supporting the global economy, and the competitiveness of individual nations.

Our thanks go to the Economist Intelligence Unit for its assistance developing this report. We hope the results and analysis presented provide insight into the challenges of infrastructure faced globally.

Nick Chism

Head of Global Infrastructure and a partner with KPMG in the UK

Stephen Beatty

Americas Region Leader for Global Infrastructure and a partner with KPMG in Canada

Julian Vella

ASPAC Region Leader for Global Infrastructure and a partner with KPMG in Australia

“How many times have we seen the same conclusions as to WHAT must be done. The trick is HOW, as leaders, decisive action is taken.”

~ Tony Douglas
Chief Operating Officer
Laing O'Rourke



The survey report

Written by the Economist Intelligence Unit

Report findings from the Economist Intelligence Unit

In response to the global economic crisis, many countries have recently unveiled massive stimulus packages that often include substantial funding for infrastructure.⁴ In late 2008, the Chinese government announced over half a trillion dollars in such spending.⁵ The US\$787 billion American Recovery and Reinvestment Act provides—depending on what is counted—around US\$150 billion;⁶ Canada's Economic Action Plan sets aside US\$14.2 billion for new infrastructure;⁷ Germany has earmarked US\$18 billion,⁸ and the World Bank is providing US\$55 billion in lending for infrastructure in developing countries.⁹

But will such measures, designed to help the economy, actually improve the state of infrastructure? Almost any significant new project requires years of planning and would unlikely break ground until after an economic recovery took place. The tendency, therefore, is to focus spending on repairs and maintenance rather than major upgrades. Moreover, complaints about delays and poor spending decisions are already being voiced in some quarters.

To understand the underlying challenges that societies face in building and maintaining effective infrastructure, this report considers the issues from the vantage point of private sector infrastructure providers. The Economist Intelligence Unit, on behalf of KPMG International, in June and July 2009 surveyed senior executives in companies that develop, deliver, operate/maintain, or fund infrastructure and those that advise them. Of the 455 respondents, 63 percent were C-suite or board level. These are the key findings.

A world of worry among private sector infrastructure providers

Many infrastructure executives expressed concern that under-investment in infrastructure poses a great danger to the economy where they are based. Forty-six percent of professionals are very concerned and a further third are somewhat concerned that the current level of spending is not sufficient to sustain the long-term growth of their national economies.

These worrying figures are similar globally and consistent with a number of recent studies and statements, including a survey report released by KPMG International in cooperation with the EIU earlier this year.¹⁰ The Organization for Economic Co-operation and Development (OECD) forecasts that, on average between now and 2025 - 30, member states will need to more than double their investment in electricity transmission and distribution, almost double investment for road construction, and increase investment for water supply by nearly 50 percent.¹¹ In the United States, the American Society for Civil Engineers, in its 2009 video "Report Card for America's Infrastructure," says that "the critical systems supporting modern American society are becoming inadequate or outright dangerous." The society estimates that it will take up to US\$2.2 trillion over the next five years to remedy the situation¹²—a figure that dwarfs those in the current economic stimulus plan. In the United Kingdom, meanwhile, Alan Stilwell, Chair of Britain's Institution of Civil Engineers (ICE), warned that "We must work now to fortify our networks, or pay the economic, social and environmental price in the future."¹³

“We need to fundamentally rethink the planning and development of infrastructure around the world.”

~ Jagdeep Singh Bachher,
Chief Operating Officer, Alberta
Investment Management Corporation

⁴ This study defines infrastructure as "the physical structures that provide or permit transportation; energy generation and transmission; water distribution and sewage collection; and the provision of social services such as health and education."

⁵ China State Council, Stimulus plan announcement, 9 November, 2008.

⁶ U.S. Government, American Recovery and Reinvestment Act of 2009, 6 January, 2009.

⁷ Canadian Department of Finance, Canada's Economic Action Plan, 27 January, 2009.

⁸ German Federal Government, Second economic stimulus package announcement, 13 January, 2009.

⁹ World Bank, Infrastructure fund announcement, 25 April, 2009.

¹⁰ KPMG International in cooperation with the Economist Intelligence Unit, Bridging the Global Infrastructure Gap, January 2009.

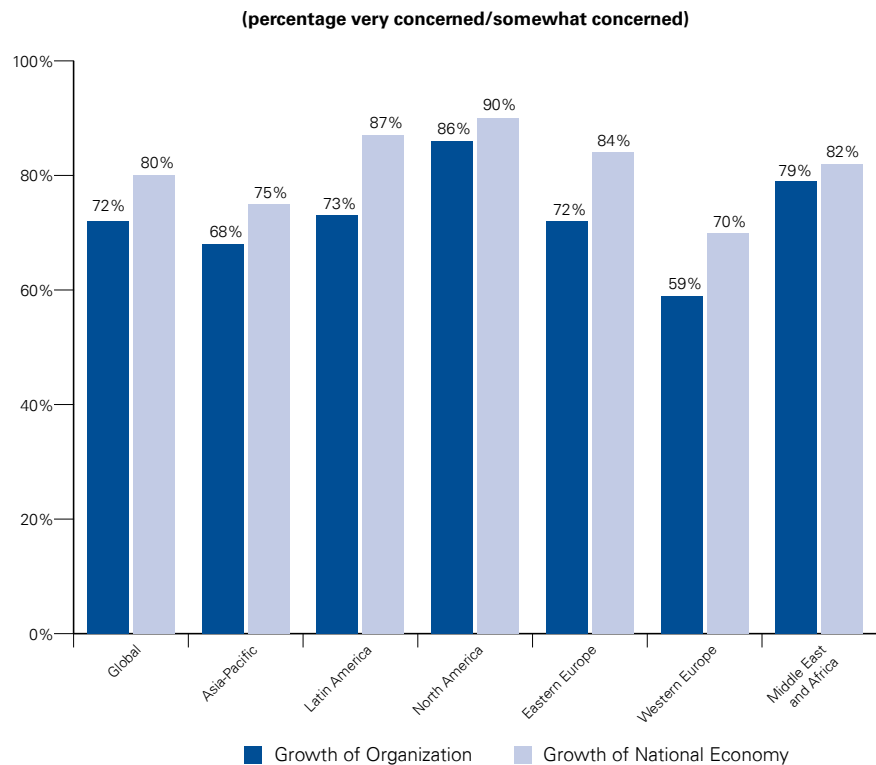
¹¹ OECD, Infrastructure to 2030, 2007 vol. 2 p. 13.

¹² American Society of Civil Engineers, Report Card for America's Infrastructure, 28 January 2009.

¹³ Institution of Civil Engineers, UK utility networks extremely vulnerable to disruption and failure, 24 June 2009.

Additionally, respondents are anxious about the impact of the current level of infrastructure investment on their businesses; after all, their livelihood depends on it. Thirty-two percent of respondents to the survey say they are very concerned and 40 percent are somewhat concerned that infrastructure spending is insufficient for the long-run health of their companies.

Level of infrastructure provider concern regarding the ability of current investment to support the long-term growth of their organization and national economy



Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

Deficiency in governmental effectiveness cited as the biggest obstacle to meeting infrastructure needs

When asked what might inhibit the industry's ability to provide relevant infrastructure, the most frequently cited issue was governmental effectiveness. Sixty-nine percent expressed concern about its impact.¹⁴ The greatest public sector impediment to more investment in infrastructure, cited by 42 percent of respondents, is a politicization of infrastructure project priorities and the most frequently mentioned way to improve governmental effectiveness is by de-politicizing such priorities (45 percent). Respondents also believe processes are as big an issue as people: the most frequently cited contributor to government ineffectiveness in the survey, cited by 51 percent of respondents, is excessive bureaucracy.

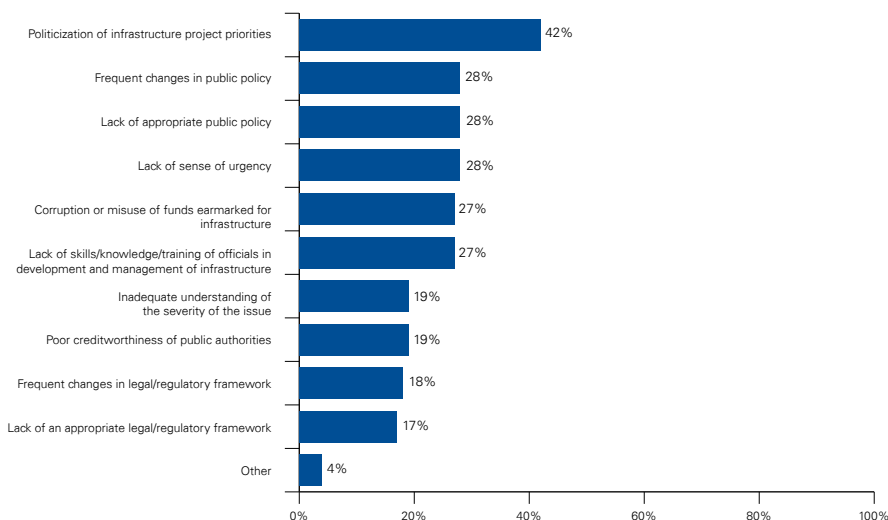
¹⁴ Respondents answered on a scale of 1 (very concerned) to 5 (not at all concerned). Those answering 1 or 2 are said to be showing concern.

Because government decision-makers are perceived as viewing infrastructure too often through a political lens, they are also blamed for not taking the problems in this area seriously enough by failing to provide consistent, long-term leadership. Lack of a sense of urgency, frequent changes in public policy, and even a lack of an appropriate policy were all cited by 28 percent of survey respondents as leading public sector impediments to greater investment in this area. Similarly, short-term planning horizons and a neglect of long-term maintenance were the second and fourth most commonly listed impediments to governmental effectiveness (35 and 31 percent, respectively).

Despite some geographic variance—over half of Asia-Pacific respondents expressed concern over politicization, for example—the numbers are similar worldwide. A controversial Alaskan bridge—the proposed US\$398 million Gravina Island Bridge, which would have replaced a ferry to an island with 50 residents¹⁵—made a cameo appearance in America’s recent presidential election, but the idea is far from new. Roads to nowhere were long a part of the unspoken social contract between the Japanese ruling party and its rural supporters. Kuniichiro Takahashi, former president of the country’s State Highway Agency, freely admits that obtaining approval for some of the larger projects relied on deception by his department and falsified data. He sees little change in the US\$750 billion being spent on roads in Japan over the current decade.¹⁶

Infrastructure provider views regarding the greatest public sector impediments to increased infrastructure investment

(Multiple responses permitted, may not add to 100 percent)



Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

Beyond politicized decision-making, another widespread concern is corruption.¹⁷ Respondents rank corruption in the selection of infrastructure providers as the third biggest impediment to government effectiveness in this field (31 percent), and more than one in four (27 percent) see misuse of funds earmarked for infrastructure projects as an important impediment to greater infrastructure investment. As a result,

“Infrastructure is a public business. The private sector may find merits in investing in selective opportunities but will always need the support of a meaningful political and business partnership with government. If this concept is well understood and exercised by all parties involved, the gigantic and growing need for funding required by infrastructure worldwide can be met at acceptable risks and at reasonable costs.”

~ Alvaro Pereira Novis
Director, Odebrecht

¹⁵ Ronald D. Utt, The Heritage Foundation, The Bridge to Nowhere: A National Embarrassment, 20 October 2005.

¹⁶ Leo Lewis, “Japan’s costly ‘roads to nowhere’ built on government deception,” The Times, 24 December 2007.

¹⁷ The term “corruption” was left undefined in the survey, although Transparency International—the anti-corruption NGO—defines it as “the misuse of entrusted power for private gain.”

increased transparency in planning and project selection (44 percent) and in infrastructure spending (35 percent) are seen as the second and fourth best ways to improve government effectiveness.

Corruption is often perceived as a problem in the developing world—and the survey certainly indicates that the issue is bigger in these countries. In the developing world as a whole, corruption or misuse of earmarked infrastructure funds is the greatest impediment to more investment, and corruption in provider selection is the second biggest drag on government effectiveness, cited by 43 and 50 percent of respondents, respectively. In Brazil, Russia, India, and China (collectively known as the BRIC countries), the situation is even worse, with the equivalent figures being 52 and 55 percent. But this should come as little surprise. A December 2006 World Bank research working paper, “Measuring and Reducing the Impact of Corruption in Infrastructure,” found “considerable evidence of widespread petty corruption in the area of infrastructure connections as well as larger-scale corruption” in the developing world. For example, it estimated that roughly a quarter of Indonesian road construction budget “went missing.”¹⁸

Conversely, just 22 percent of respondents from developed countries complained about the effect of corruption in provider selection, and only 19 percent cite a misuse of funds.

Despite stimulus spending, infrastructure funding remains an issue

Even with help from stimulus spending, 63 percent of respondents expressed concern that current economic conditions are impeding the infrastructure investment necessary for long-term growth, and 60 percent said the same about the restricted availability of financing, making these the second and third biggest issues cited after governmental effectiveness.

Only 5 percent of respondents think financing difficulties will resolve themselves. Instead, despite their clear reservations about governmental effectiveness, executives continue to view the government as the best solution for providing the necessary money either directly—through greater contributions or co-lending (37 percent)—or by assuming more risk—either via more favorable risk allocations on projects (36 percent) or simply by providing loan guarantees (35 percent).

But the infrastructure providers surveyed are also skeptical about taxpayer contributions. When asked where governments could raise money to fund infrastructure, respondents said the most viable solution (cited by 43 percent) is to raise cash by disposing of existing assets. The second most cited option is to cut spending on other priorities (38 percent) while increased user fees (36 percent) came in a close third.

In developed countries, user fees have greater appeal, being cited as the most viable way to increase funds (40 percent), with little variation among well-off North American (43 percent), European (36 percent), or Asia-Pacific countries (45 percent).¹⁹ It may be

“Despite the difficulties in the financial markets and the shortage of debt for infrastructure there are big opportunities for the public sector to embrace innovative financing, such as public-private partnerships, in order to crystallize political will toward economic growth. Governments and multilateral institutions have led the way but more will be required in order to sustain the delivery of essential public services in times when they are most needed.”

~ Thierry Déau
Managing Director, Meridiam

¹⁸ Charles Kenny, “Measuring and Reducing the Impact of Corruption in Infrastructure,” World Bank Policy Research Working Paper 4099, December 2006.

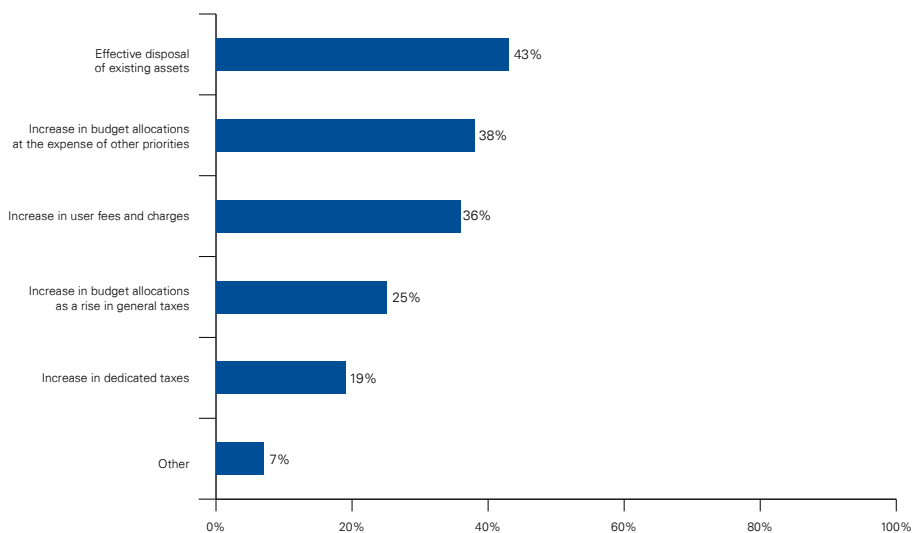
¹⁹ Figure for developed Asia-Pacific includes Australia, Japan, New Zealand, Singapore, and South Korea.

simply that in poorer, or less developed, countries, a lower disposable income makes user charges impractical. The high figures in the developed world might also reflect a growing willingness to pay for better infrastructure.

While new taxes came further down the list on how to raise money for infrastructure generally, respondents in the United States—surprisingly—say it is the second most viable way to raise funds (cited by 37 percent). Yet, in a sign that politics in this area may be changing, the finding is supported by a poll sponsored by Building America’s Future, a bipartisan coalition of elected officials, in January 2009, which found that 81 percent of Americans were prepared to pay one percent more in taxes to fund infrastructure investment.²⁰

Respondent views on the most viable sources of increased funding for infrastructure

(Multiple responses permitted, may not add to 100 percent)



Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

Infrastructure providers see availability of skills as a serious long-term concern

Almost half (47 percent) of respondents expressed concern about the lack of relevant people and skills for infrastructure provision. This implies that even if countries were to take a reasoned, adequately-funded approach to infrastructure investment, many industry providers may have a difficult time finding the right people to do the job. As Australia’s government increased stimulus spending last year, for example, Troy Williams, chief executive of the Australian Institute of Building, warned of “a shortage of professional builders [that]...threatens the ability of the construction industry to deliver large infrastructure over the short to medium term.”²¹

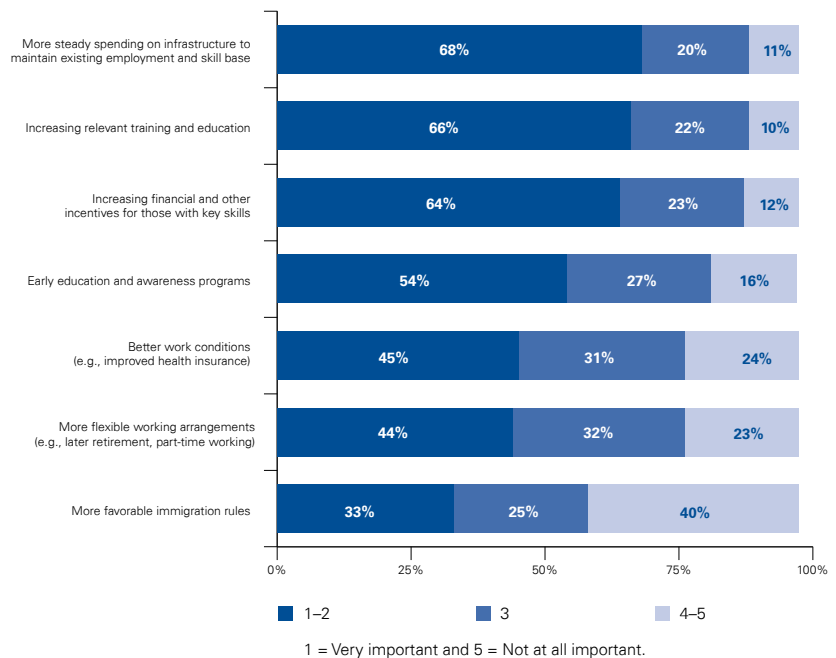
²⁰ Building America’s Future Press Release, “Building America’s Future Releases New Poll: Majority of Americans Ready to Pay for Better Infrastructure but Demand Accountability,” 8 January 2009.

²¹ Australian Institute of Building Media Release “Construction skills shortage threatens Rudd’s infrastructure program” 24 April 2008.

The reason is simple: creating and maintaining skills requires a long-term commitment. The survey respondents believe that the most important methods for improving the availability of skills are more steady infrastructure spending to maintain employment (cited by 68 percent as very important or somewhat important), investing more in relevant training and education (66 percent), and increasing financial incentives for those with key skills (64 percent)—all of which reflect lasting commitments rather than one-time spending initiatives.

The skills issue is perceived somewhat differently around the world but is regarded as a problem everywhere. Western Europeans are least worried, but even there, 34 percent are concerned. At the other end of the spectrum, in the Middle East and Africa—where high levels of development might be a factor—the figure reaches 59 percent. In the United States, 58 percent are concerned. Experts from economies as diverse as South Africa and the United Kingdom speak of the same issue. The former, according to a 2009 Landelahn Business Leaders survey, will need to delay current infrastructure projects because of a skills shortage that could last a decade.²² In Britain, the 2008 *State of the Nation* report from the Institution of Civil Engineers found “a capacity and skills crisis.”²³

Infrastructure provider views on the importance of various factors in helping improve the availability of relevant skills/people



Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

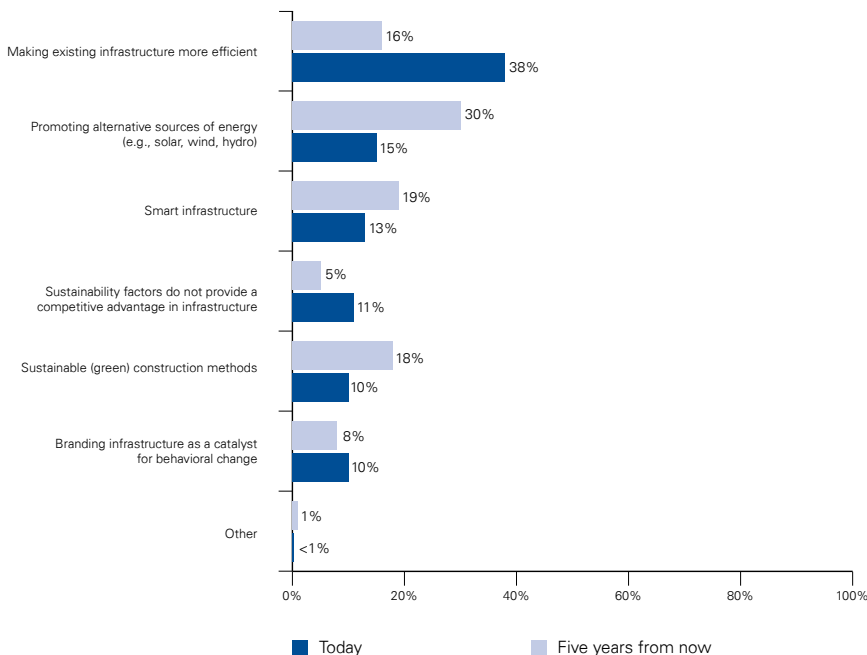
²² “Infrastructure sector to face skills shortage for another decade – survey” Engineering News, 21 November 2008, ²³ p.4.

Sustainability considerations may represent a market opportunity as firms shift toward new, green infrastructure projects

Sustainability has numerous and sometimes contradictory definitions. In the context of infrastructure, however, much of the world is focused on environmental, in particular carbon reduction, issues. Popular and regulatory pressures in this area currently appear to be a stumbling block for the industry: 47 percent of respondents are concerned that sustainability considerations will impede their ability to provide the necessary infrastructure for economic growth.

This, however, is likely to represent a temporary problem as companies shift toward greener product offerings in the future. For example, executives say that their greatest sustainability-related competitive advantage currently comes from the ability to retrofit existing infrastructure to make it more efficient (cited by 38 percent). But looking to the future, only 16 percent think this will be the case. Instead, executives believe that future competitive advantage in the industry will lie in the ability to provide green energy projects (cited by 30 percent), smart infrastructure (19 percent), and green construction methods (18 percent). Where green infrastructure can meet multiple needs, its attractions will be all the greater. As Donal Flynn, CFO of Airtricity, Scottish and Southern Energy’s renewables arm said, despite the doldrums through which renewable energy was going earlier this year, there is underlying strength. “Climate change is still as big an issue as before; security of supply is as big as before.”²⁴ In fact, respondents also listed the design of infrastructure that minimized the use of resources as the most important way to insure that the country where they lived had the raw materials it needs into the future.

Sustainability factors that provide the greatest competitive advantage in the industry today/five years from now, according to infrastructure providers



Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

²⁴ KPMG, “The winds of change: an insight into M&A in the renewable energy sector in 2009”, p. 6.

“If we are to rise to the infrastructure challenge and create long term growth, government and the private sector collectively have to find better, quicker, and smarter methods of project procurement - or we will simply never get there.”

~ Keith Cottrell
Managing Director, Amey Ventures

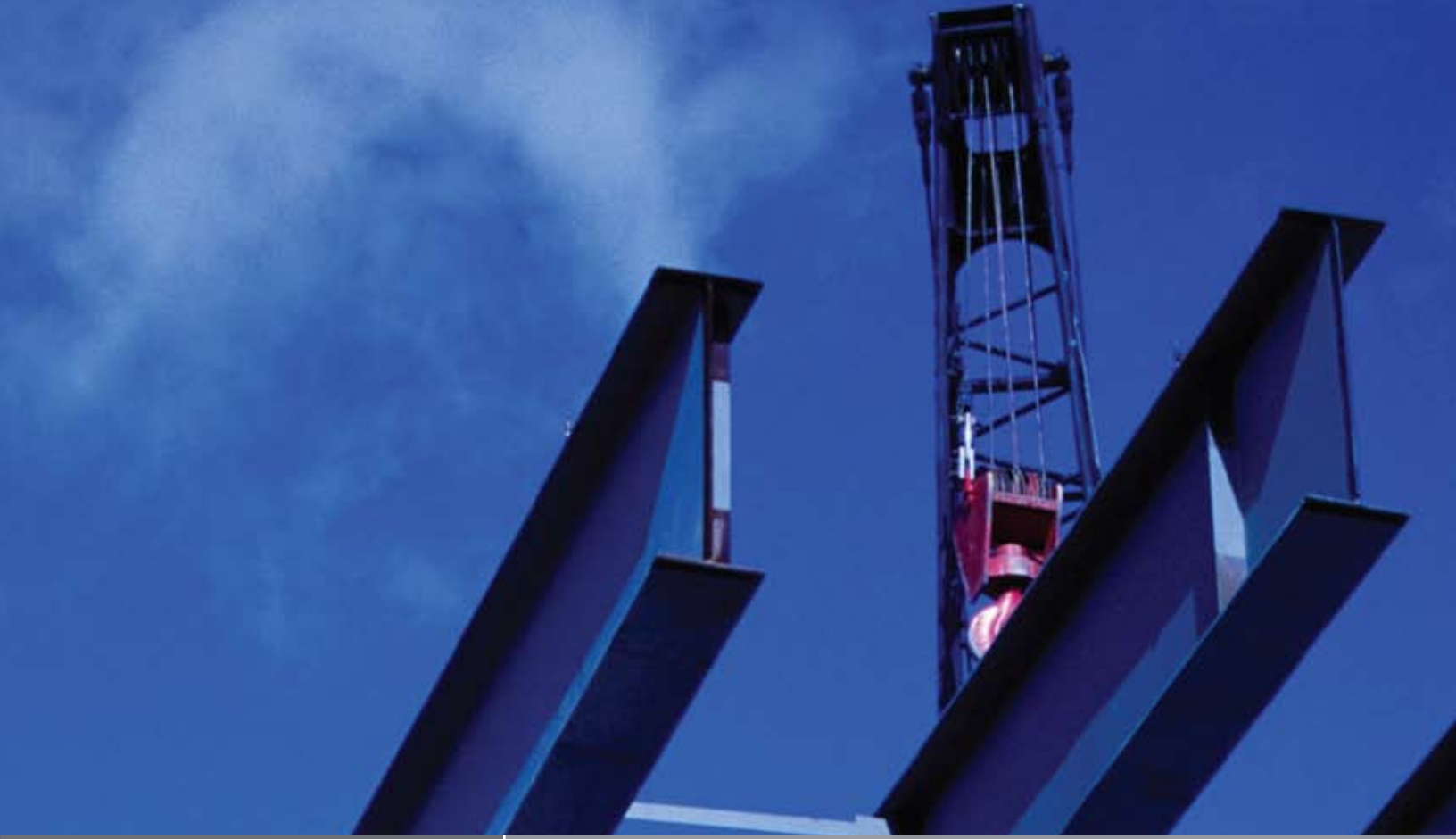


A background image showing several construction cranes against a clear blue sky. The cranes are silhouetted, with some showing intricate lattice structures. One crane in the upper left has the text '17 WEEKS 524' written on its boom. The overall scene is a construction site at a high angle, looking up at the cranes.

Conclusion

News headlines around the world speak of many significant government stimulus packages pouring billions into improving infrastructure. But for many private sector infrastructure providers, the story is perhaps more challenging. While they agree that governments should maintain their central and essential role in funding improvements, they are concerned that infrastructure project prioritization and public policy processes have become excessively politicized. The current spending infusion may be just another example of the tendency towards stop and go funding. This is impeding the ability of many providers to operate and work effectively with governments to create sustainable infrastructure.

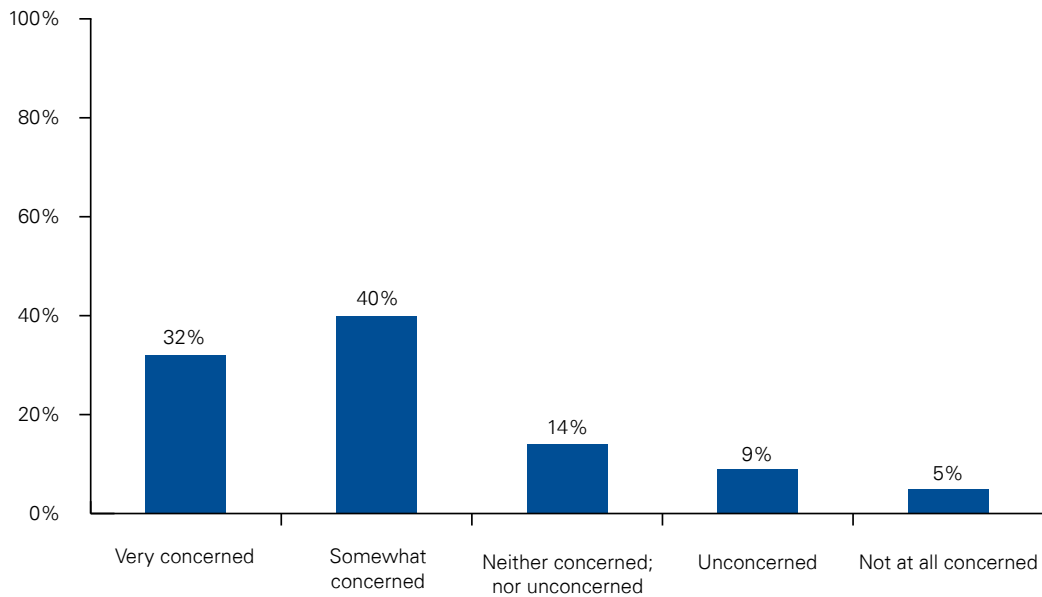
Funding and the current macroeconomic environment are both serious issues, but according to those in the industry, they are not the biggest challenge. Instead, the private sector infrastructure providers surveyed here point to governmental effectiveness as their biggest concern. As a result, governments should find ways to depoliticize public policy related to infrastructure. This includes a consistent vision for long term planning and funding in a sector where quick fixes rarely work well. A shift to more transparent and effective government processes is essential if infrastructure decisions are to reflect underlying needs rather than economic or political cycles.



Appendix

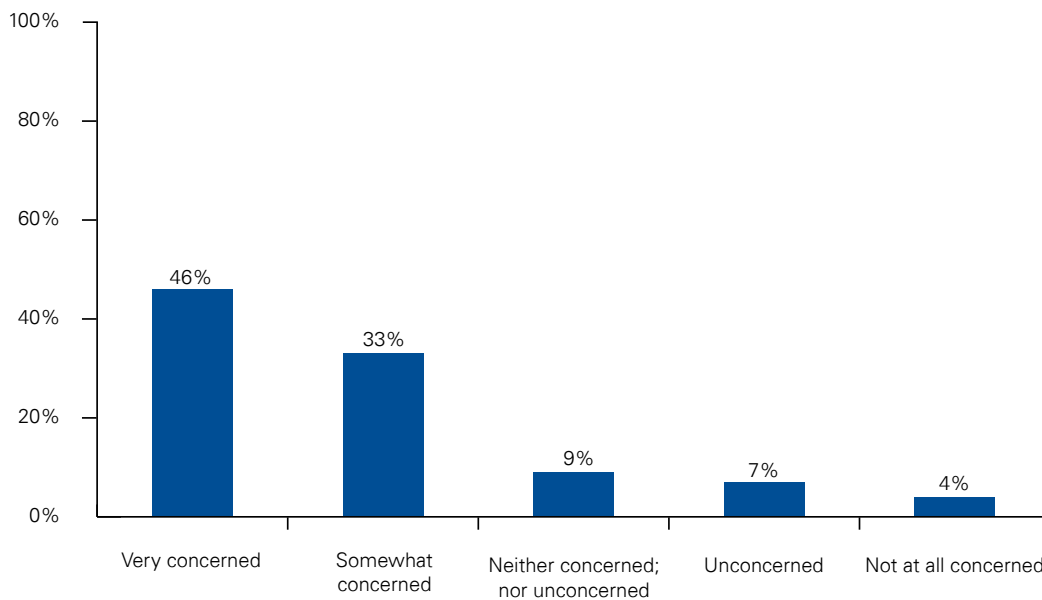


Q. Thinking specifically about the country within which you are located, how concerned are you that the current investment in infrastructure is not enough to support the long-term growth of your organization?



Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

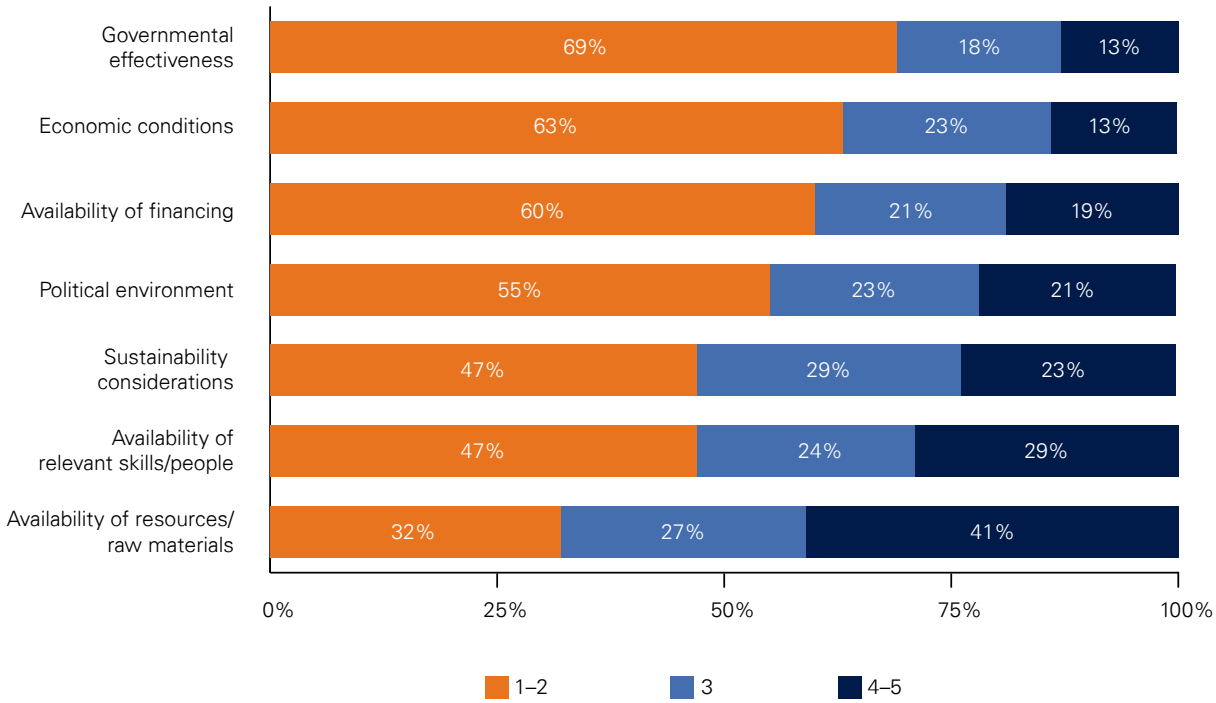
Q. Thinking specifically about the country within which you are located, how concerned are you that the current investment in infrastructure is not enough to support the long-term growth of the national economy in the country where you are based?



Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

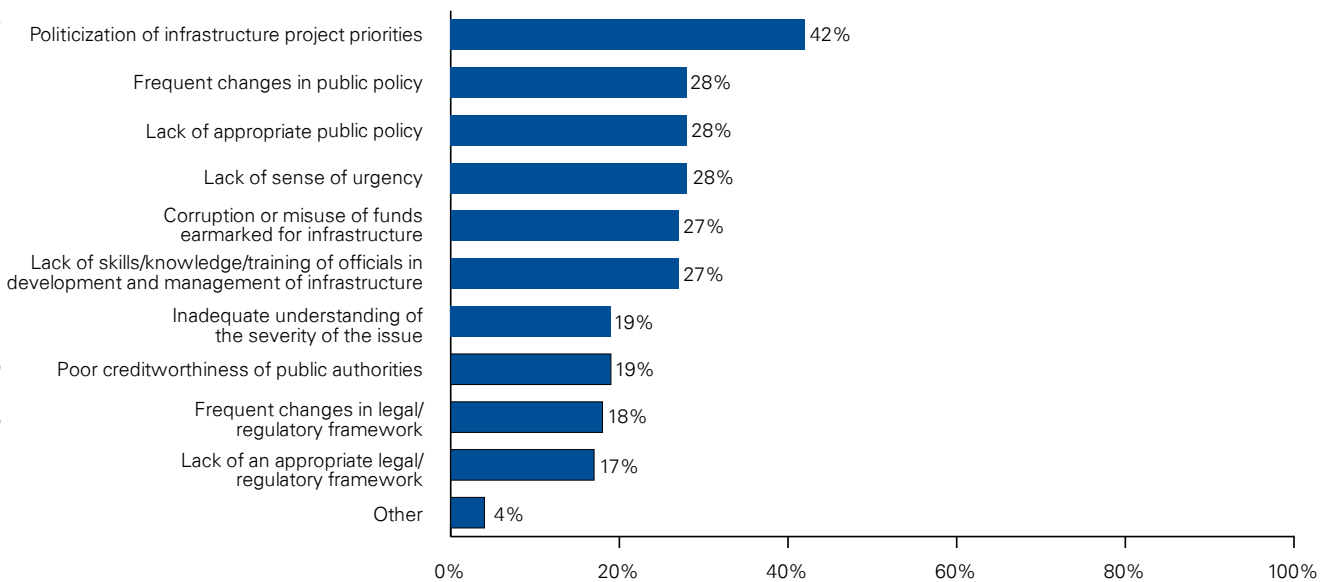
Due to rounding/the exclusion of "don't know" responses, graph totals may not equal 100 percent.

**Q. Thinking specifically about the country within which you are located, how concerned are you that the following factors will inhibit your ability to provide the relevant infrastructure that would support the long-term growth of the national economy?
1 Means "Very Concerned" and 5 Means "Not at all Concerned"**



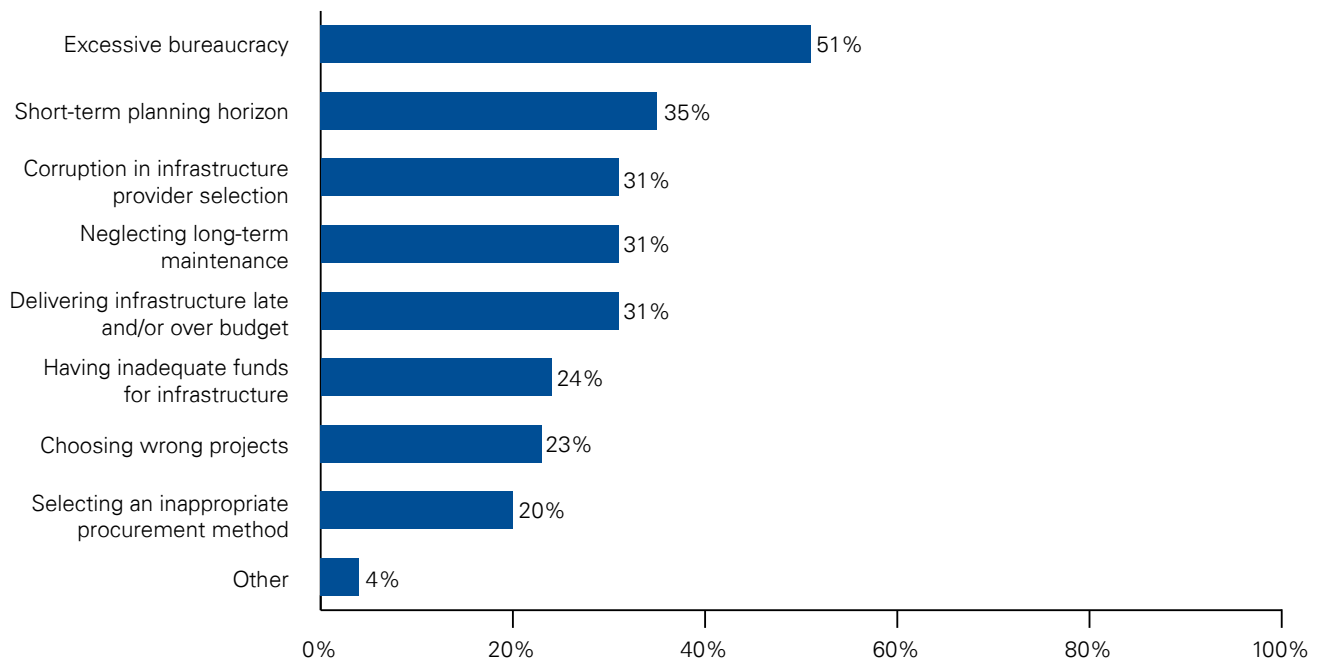
Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

Q. Which of the following are the greatest public sector impediments to more infrastructure investment in the country where you are based? (Select up to three)



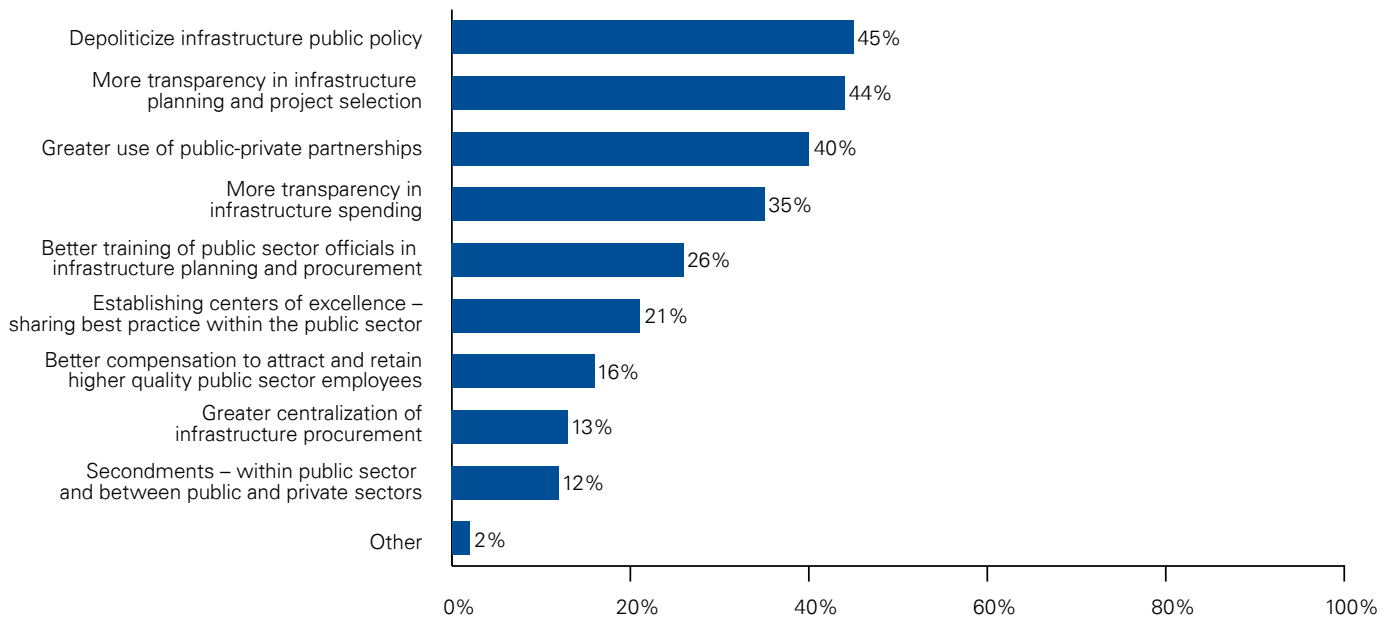
Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

Q. Which of the following factors have contributed most to perceived shortcomings in governmental effectiveness in infrastructure in the country where you are based? (Select up to three)



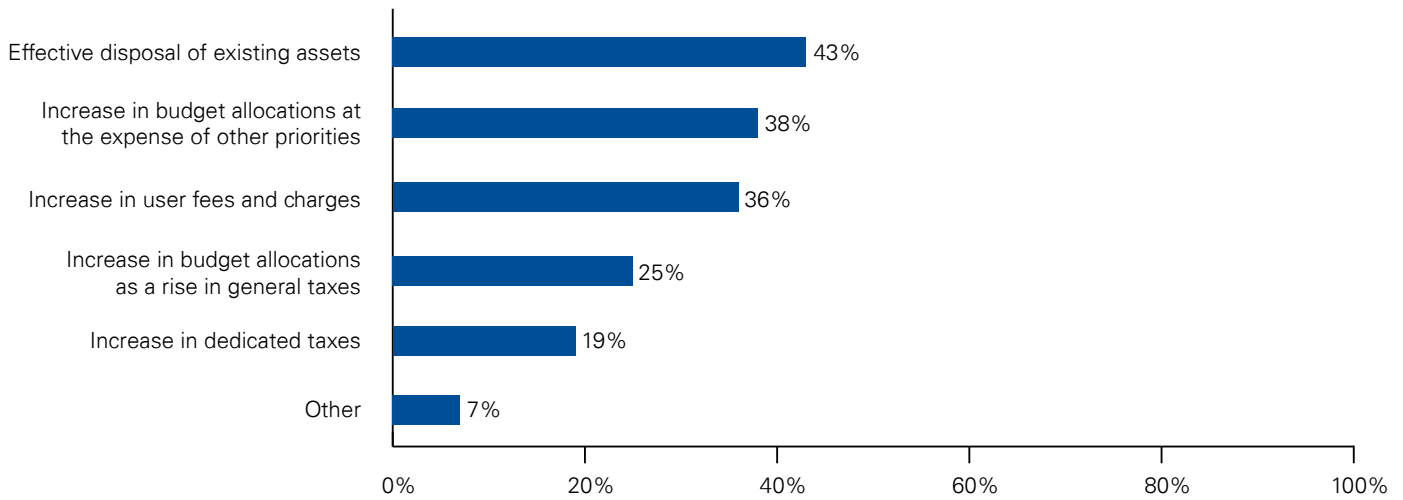
Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

Q. Which of the following factors would likely produce the greatest improvement in governmental effectiveness for infrastructure investment in the country where you are based? (Select up to three)



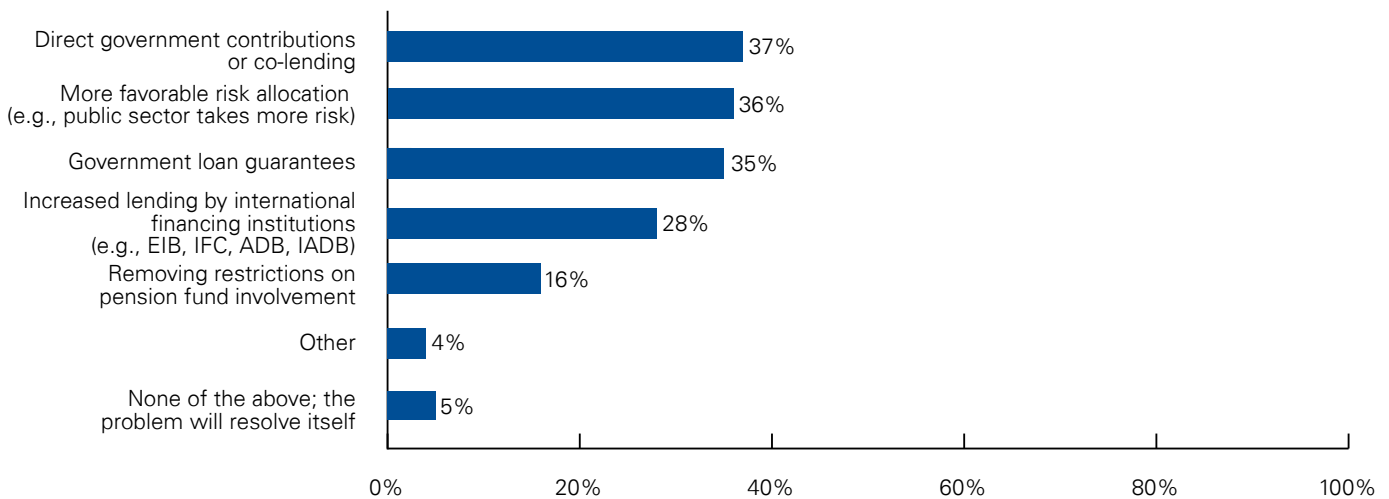
Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

Q. Which are the most viable sources of increased funding for infrastructure, thinking specifically about the country where you are based? (Select up to two)



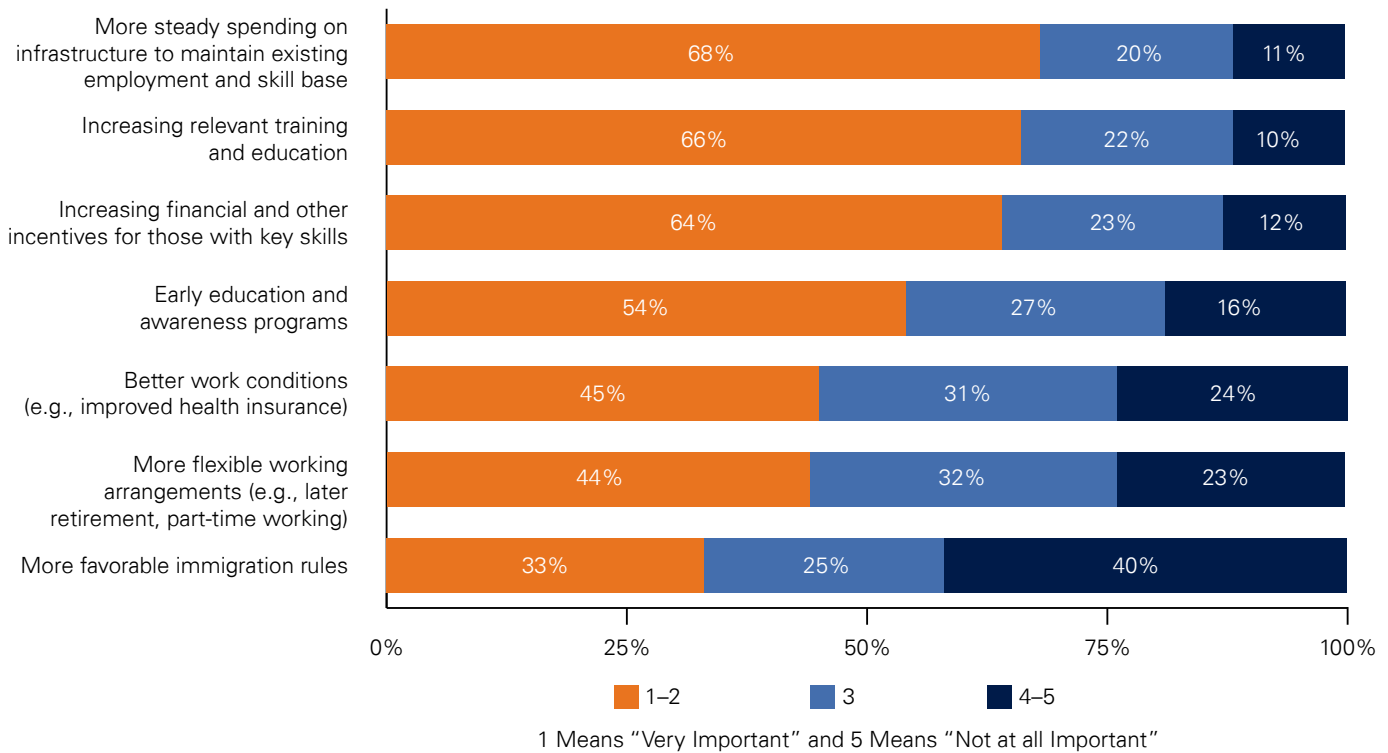
Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

Q. In the country where you are based, which are the most viable options to ease financing availability issues? (Select up to two)



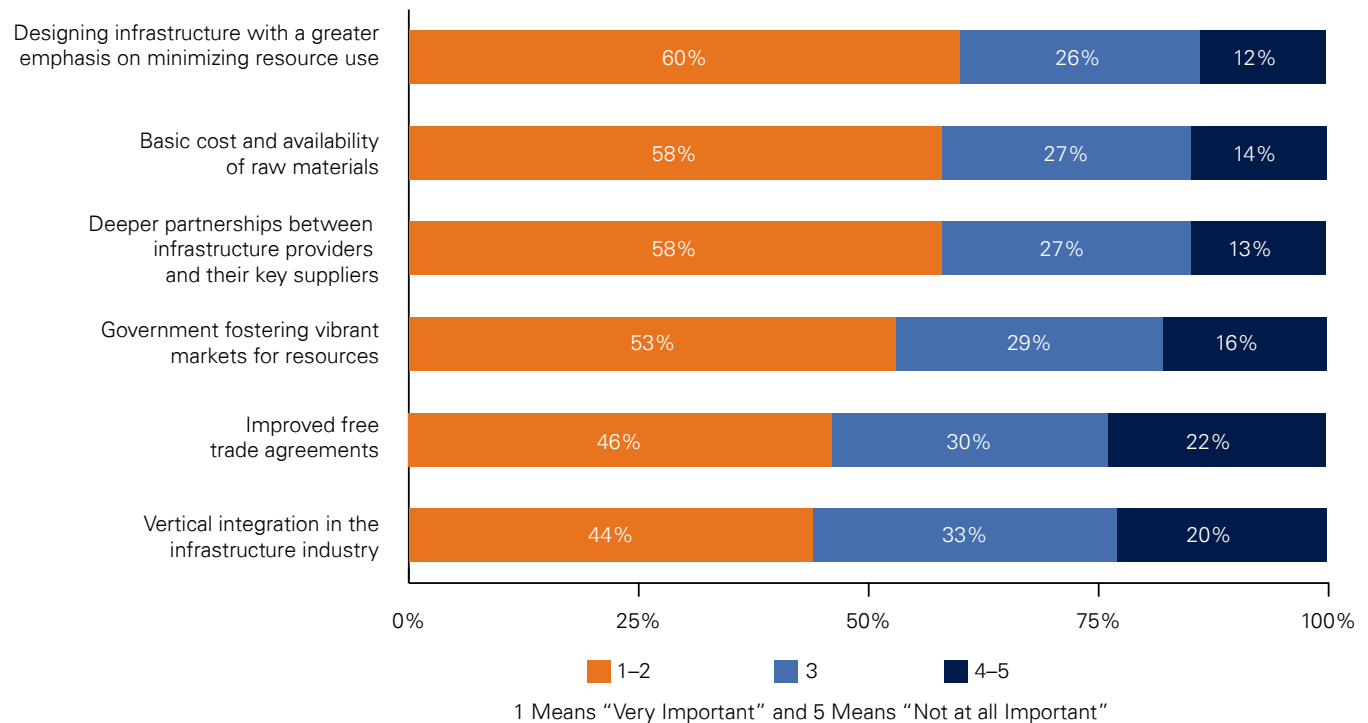
Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

Q. How important are the following factors to improve the availability of relevant skills/people for infrastructure investments where you are based?



Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

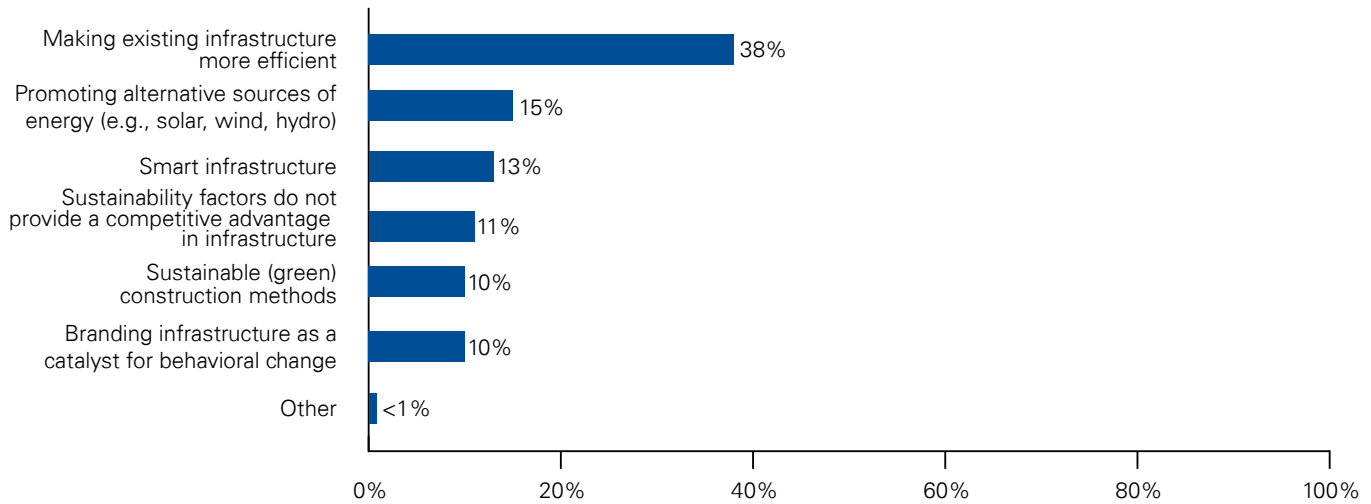
Q. How important are the following factors towards ensuring the necessary resources/raw materials for infrastructure building/refurbishment in the country where you are based?



Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

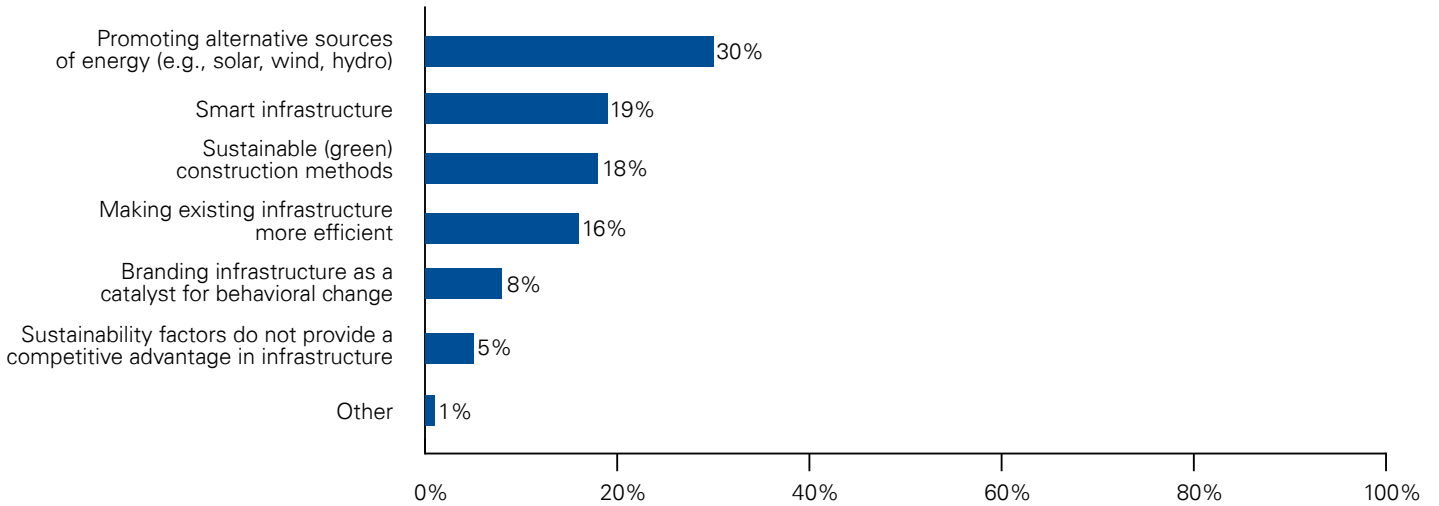
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Q. In the country where you are based, which of the following sustainability factors provides the greatest competitive advantage in the industry today?



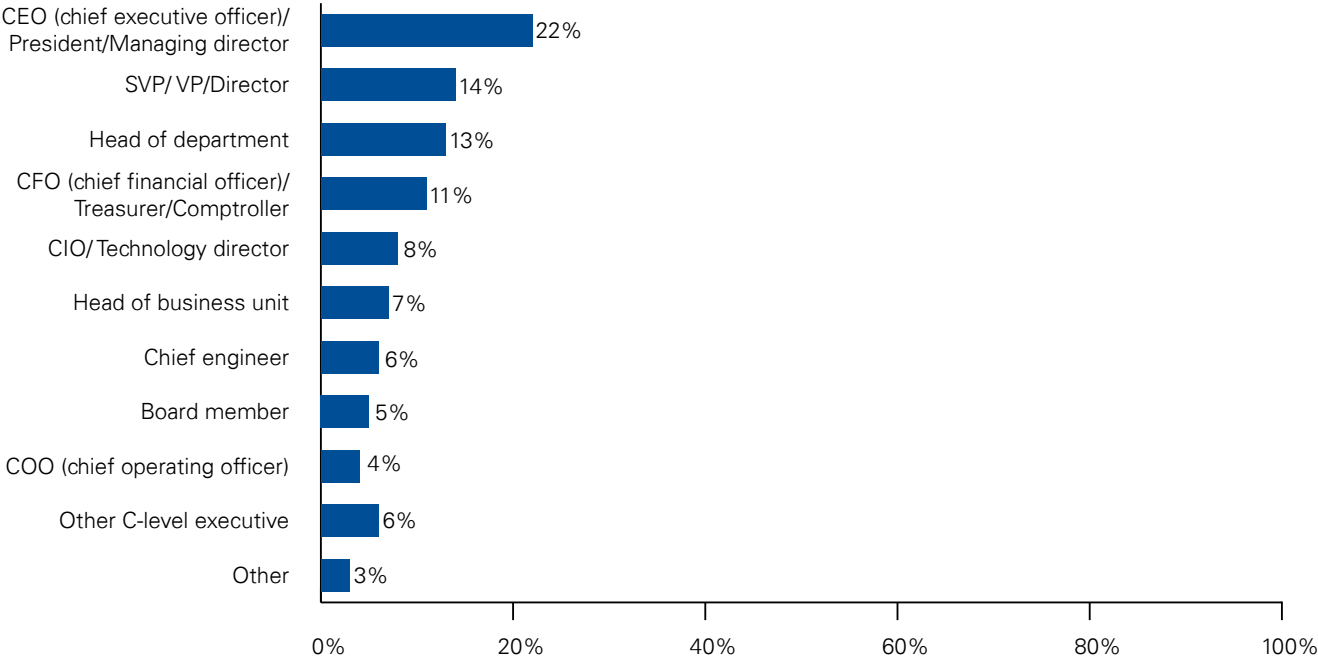
Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

Q. In the country where you are based, which of the following sustainability factors do you believe will provide the greatest competitive advantage in the industry five years from now?



Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

Q. Which of the following best describes your title?



Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

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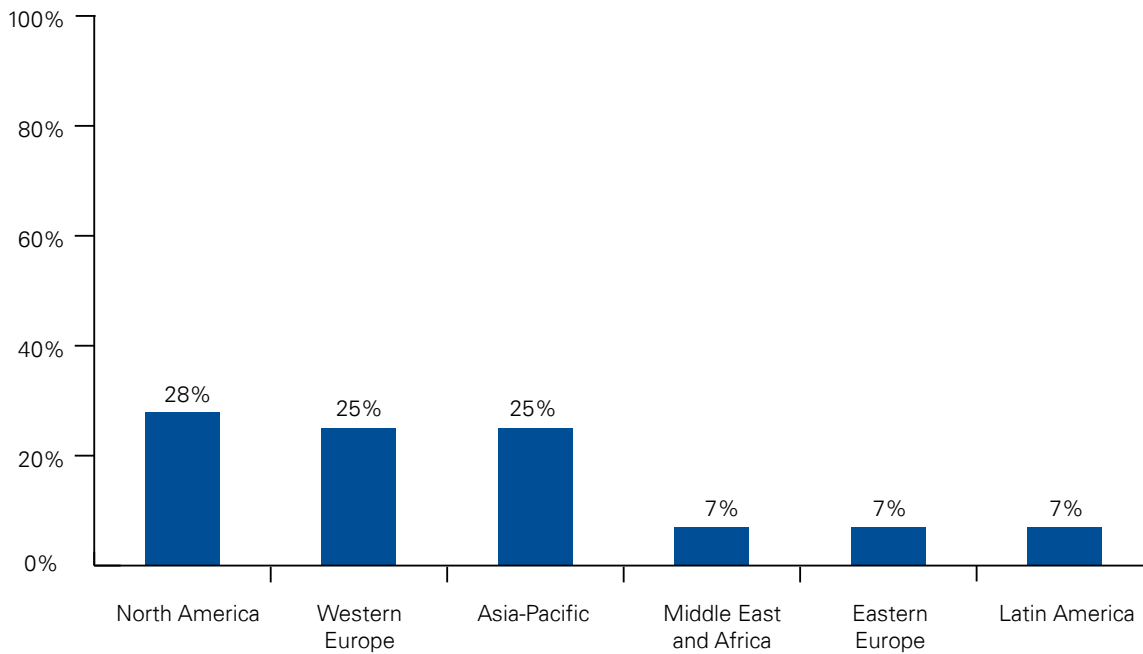
Demographics

Q. In which country are you personally located?

Country	%	Country	%	Country	%
United States of America	26 %	Czech Republic	<1 %	Hungary	<1 %
United Kingdom	16 %	Estonia	<1 %	Iran	<1 %
Australia	9 %	France	<1 %	Isle of Man	<1 %
India	7 %	Germany	<1 %	Japan	<1 %
Spain	4 %	Italy	<1 %	Macedonia	<1 %
China	3 %	Kenya	<1 %	Moldova	<1 %
Mexico	3 %	Malaysia	<1 %	Nepal	<1 %
Russia	3 %	Netherlands	<1 %	Oman	<1 %
Canada	2 %	Slovenia	<1 %	Pakistan	<1 %
Nigeria	2 %	South Africa	<1 %	Panama	<1 %
Brazil	2 %	South Korea	<1 %	Peru	<1 %
Singapore	1 %	Sweden	<1 %	Poland	<1 %
United Arab Emirates	1 %	Ukraine	<1 %	Portugal	<1 %
Hong Kong	1 %	Austria	<1 %	Qatar	<1 %
Indonesia	1 %	Barbados	<1 %	Sri Lanka	<1 %
Norway	1 %	Belgium	<1 %	Swaziland	<1 %
Azerbaijan	1 %	Bulgaria	<1 %	Switzerland	<1 %
Bahrain	1 %	Comoros	<1 %	Tanzania	<1 %
Croatia	1 %	Cyprus	<1 %	Thailand	<1 %
Romania	1 %	Denmark	<1 %	Turkey	<1 %
New Zealand	1 %	Ecuador	<1 %	Uganda	<1 %
Saudi Arabia	1 %	Egypt	<1 %	Vietnam	<1 %
Uruguay	1 %	Finland	<1 %		
Argentina	<1 %	Greece	<1 %		

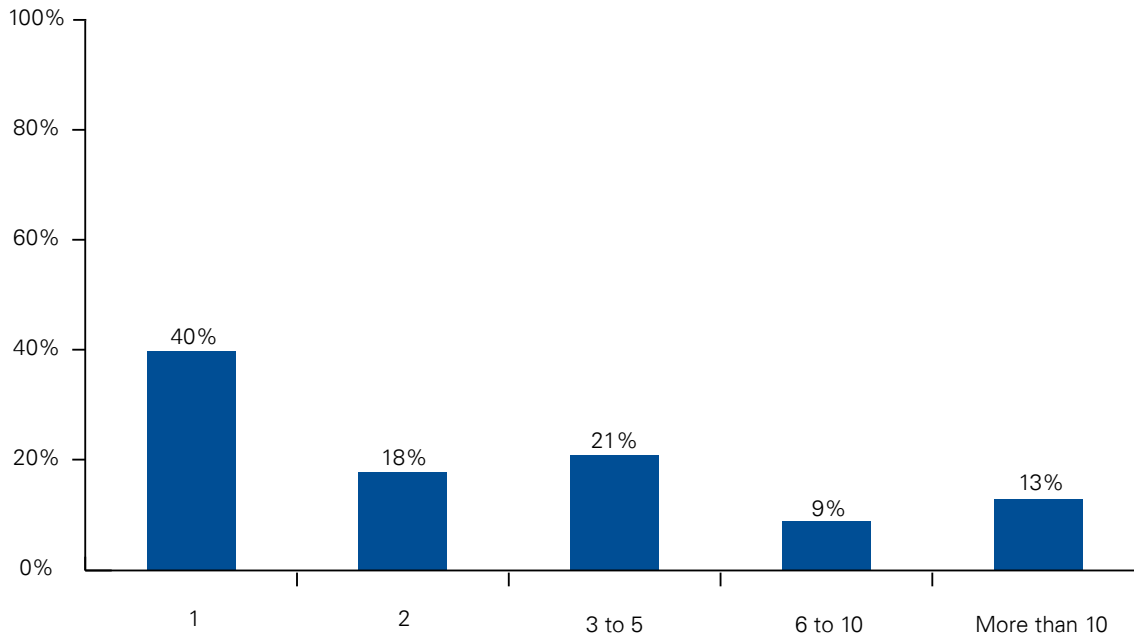
Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

Q. In which region are you personally based?



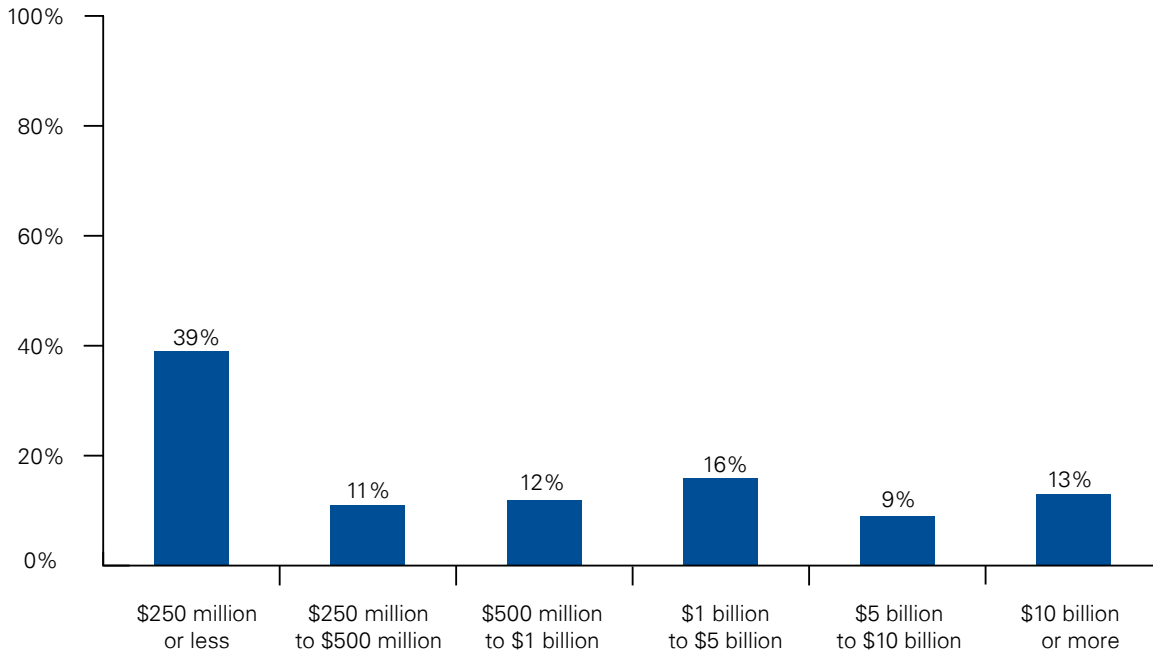
Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

Q. In approximately how many countries are you responsible for, or involved in, your organization's infrastructure operations?



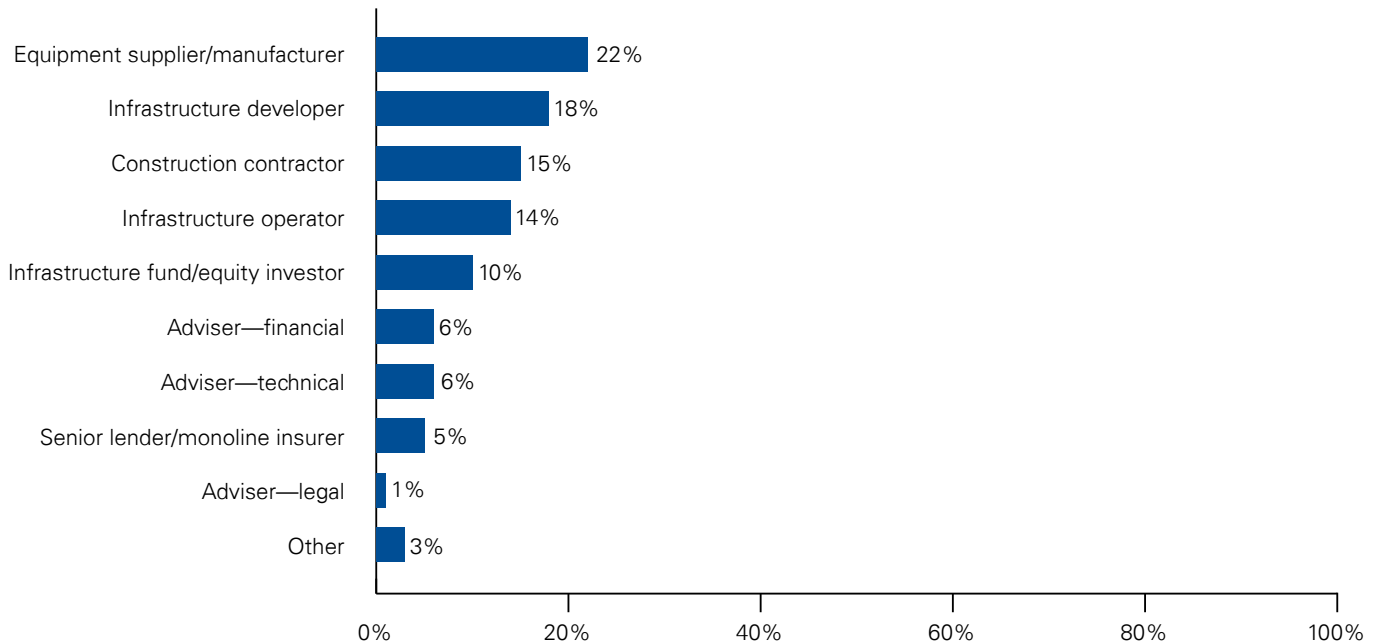
Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

Q. What are your organizations' global annual revenues in U.S. dollars?



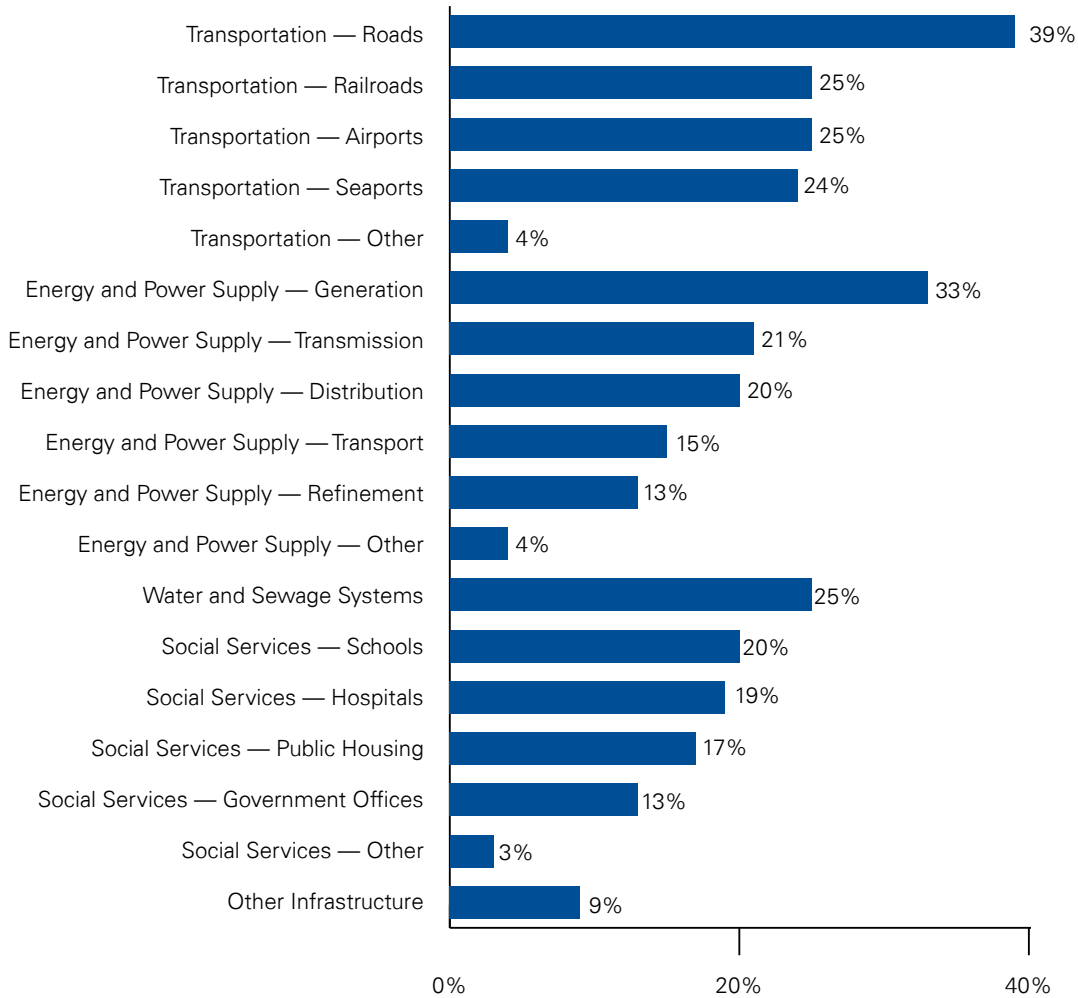
Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

Q. Which of the following best describes your organization's primary role as it relates to infrastructure?



Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

Q. Which sectors of infrastructure is your organization involved in? (Select all that apply)



Source: Frontline Views from Private Sector Infrastructure Providers, KPMG International in cooperation with the Economist Intelligence Unit, 2009.

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