

Colombia is betting on Infrastructure

Agencia Nacional de Infraestructura

The Challenge

- Andes mountains divide in 3 ranges when getting into the country.
- Natural barriers has promoted the creation of self contained areas.
- More than 27 cities over 250.000 habitants spread over the territory should be connected.



The Answer: Robust PPP Framework development



LEGAL

PPP Law
Infrastructure Act
Infrastructure Law



INSTITUTIONAL

ANI Creation (2011)



CONTRACTUAL

Standardized contract
Dispute settlement
mechanism

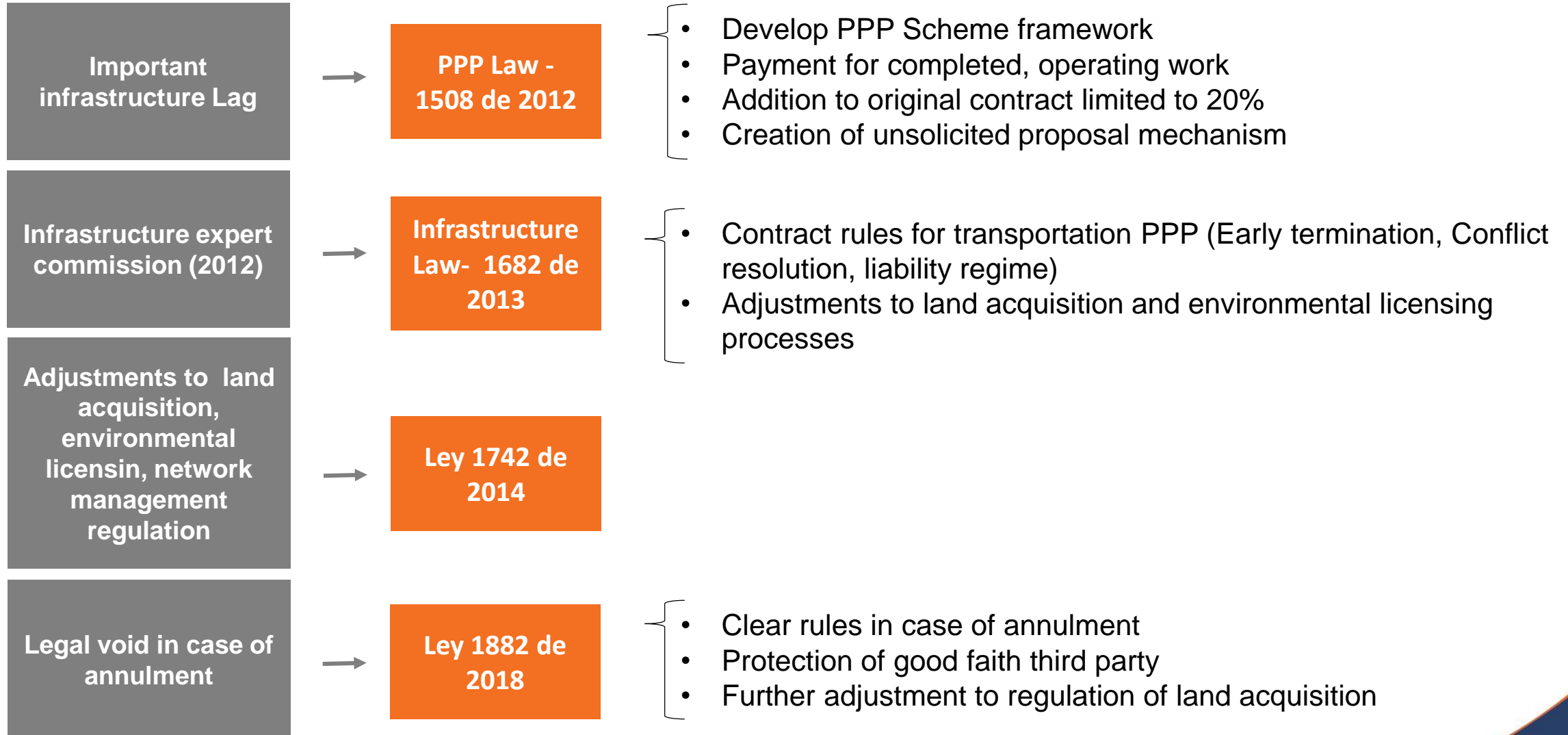


FINANCIAL

Incentive to invest
in PPP projects
FDN Creation

High level of Transparency
Pipeline of well structured projects
Financial Soundness

Adjusted Legal Framework



Past experience:

Political influence + short term view
+ weak institution
= Lack of trust



ANI

Technical Staff
Teams of experts
from several fields
tailored for each
Project.

**Long term
planning**
Portfolio of
investment needs
and definition of
projects pipeline

Transparency
Best practices to
generate confidence
in public tenders and
attract bidders

Supervision
Follows construction
and coordinates
interactions with
concessionaires

POLICIES & PROCESSES



- Contract based on international best practices (Conflict resolution mechanism, addition)
- Transparent awarding process
- Code of conduct, Code of ethics, Relationship management manual
- Transparency training
- Procurement through SECOP

RESULTS

- ANI, Latin America Grantor of the year 2016
- Latin Finance 2016 2nd best Project awarded to Pacifico 3 project
- ANI best Contracting entity in 2016 (Colombian Infrastructure Chamber)
- ANI tendered 28 projects, on average 4 proposals per tender. (2011-2017)

End to End Management:

From Planning,
structuring and
procuring to contract
management and
reversion.

ANI 2011

25 Concesiones de
Modo Carretero

4 Corredores
Férreos

47 Concesiones
Portuarias

ANI 2018

47 Concesiones de
Modo Carretero

16 Aeropuertos en
7 Contratos de
Concesión

4 Corredores
Férreos

60 Concesiones
Portuarias

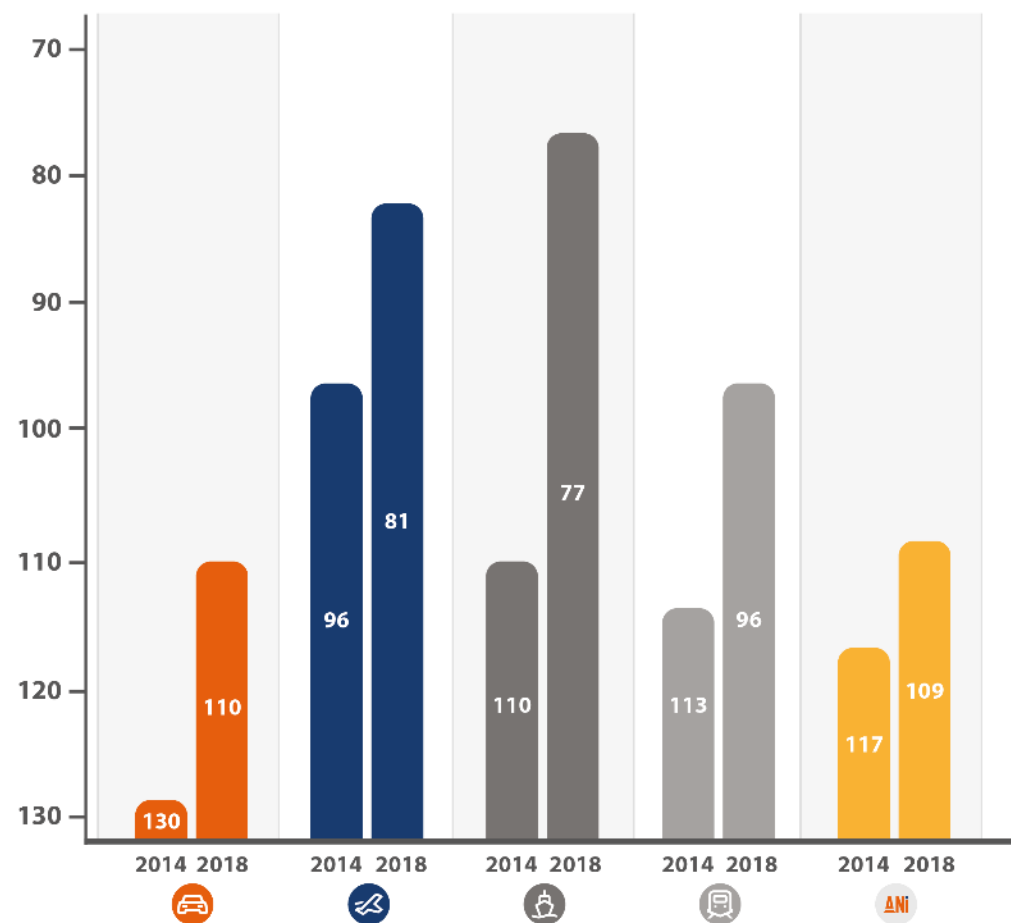
CONCESSION CONTRACTS



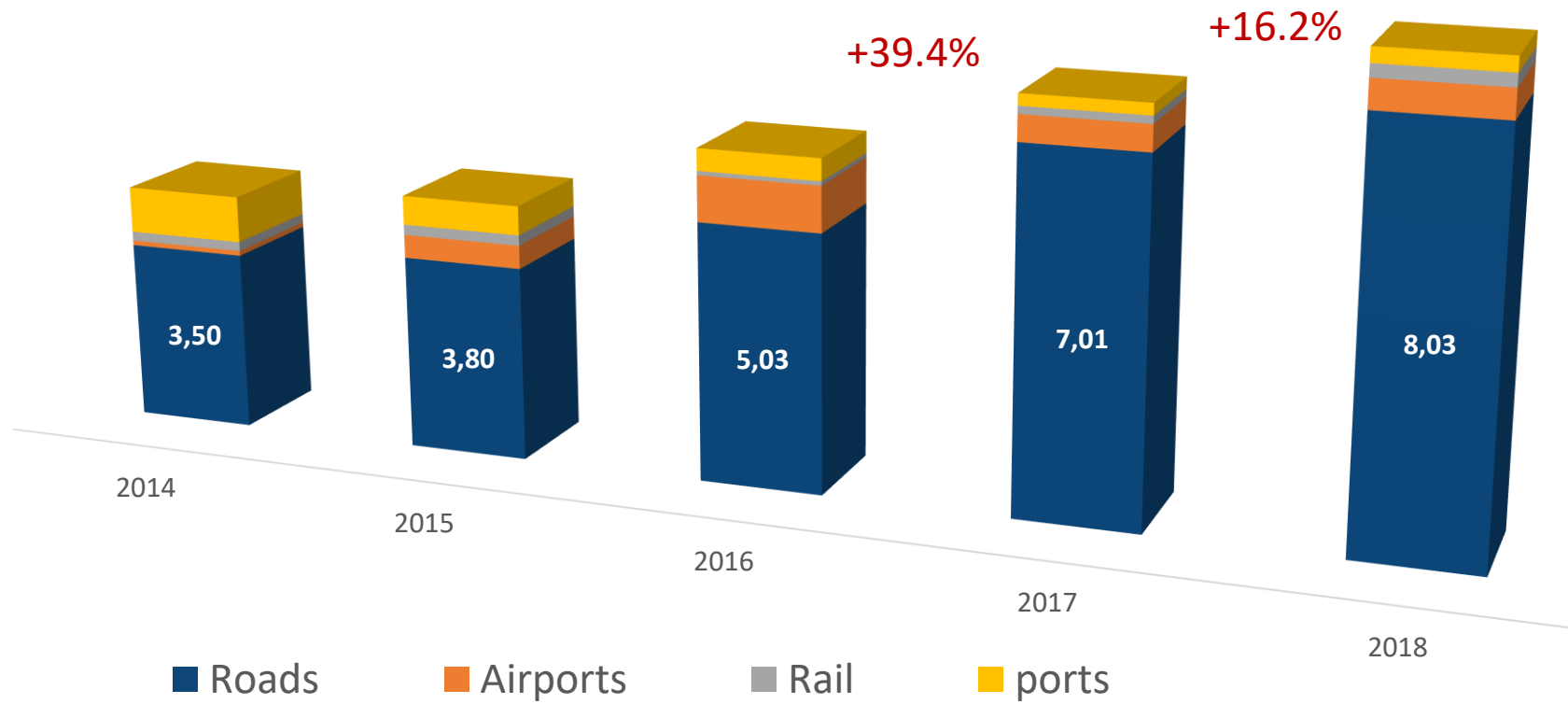


Direct
impact on
Colombia's
competitive-
ness

World Economic forum Global Competitiveness Index Infrastructure Pillar



Private Investment in Transport Infrastructure (Billion COP)



Roads



Roadway Concessions 1-3 Generations (1994 – 2010)

**More than 3.800 km
awarded**

1.300 km Constructed

**2.100 km Rehabilitated
and improved**

Road Concessions 2018

— 1G, 2G and 3G

— 4G





We created the 4G PROGRAM

Investment of USD \$15 bn

30 Awarded projects
22 started construction
16 With financial close

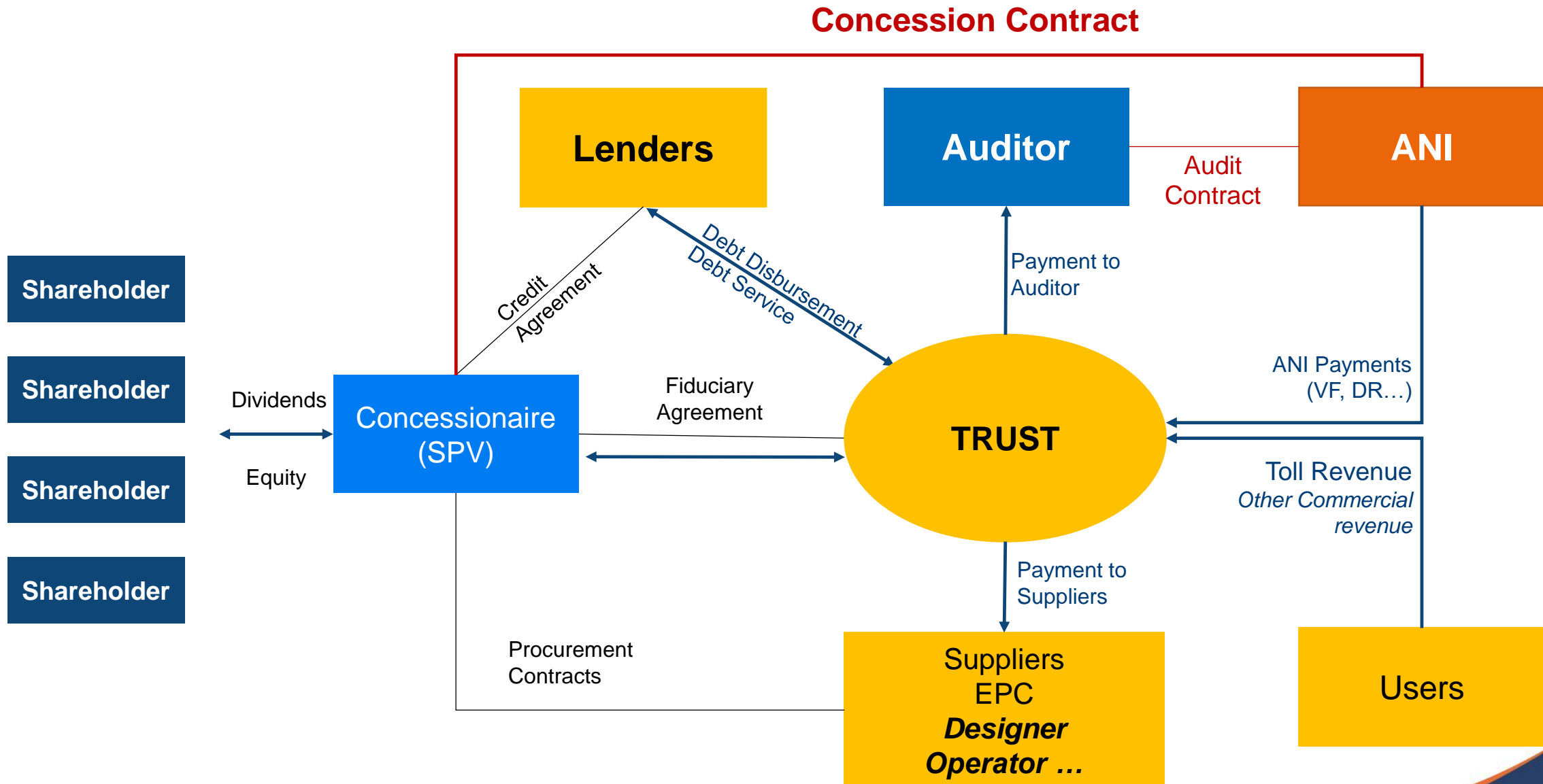
5.000 km of roads to be improved

- More than 938 kilometers in double lane highways
- 72 Tunnels totaling 86 kilometers
- 979 Viaducts and bridges totaling 109 km



120.000 Direct Job creation

Contractual Structure



Contractual Risk Allocation

Concessionaire's Risks

- Construction (except tunnels)
- Operation and maintenance
- Financing
- Change in construction and operation & maintenance input prices
- Land acquisition management (with control and supervision of ANI)
- Insurable Force Majeure events
- Traffic (liquidity risk)
- Macroeconomic risks
- Changes in law

ANI's Risks

- Force Majeure events
 - Non insurable events (e.g. natural disasters)
 - Land acquisition*
 - Social consultation*
 - Environmental licensing*
- Traffic (Aggregated Income)
- Utility networks (non identified networks)

Shared Risks

- Construction (large tunnels)
- Land acquisition (cost overruns)
- Environmental and social management (cost overruns in environmental compensations)
- Utility networks (cost overruns)



4G Projects execution

Construction Advancement

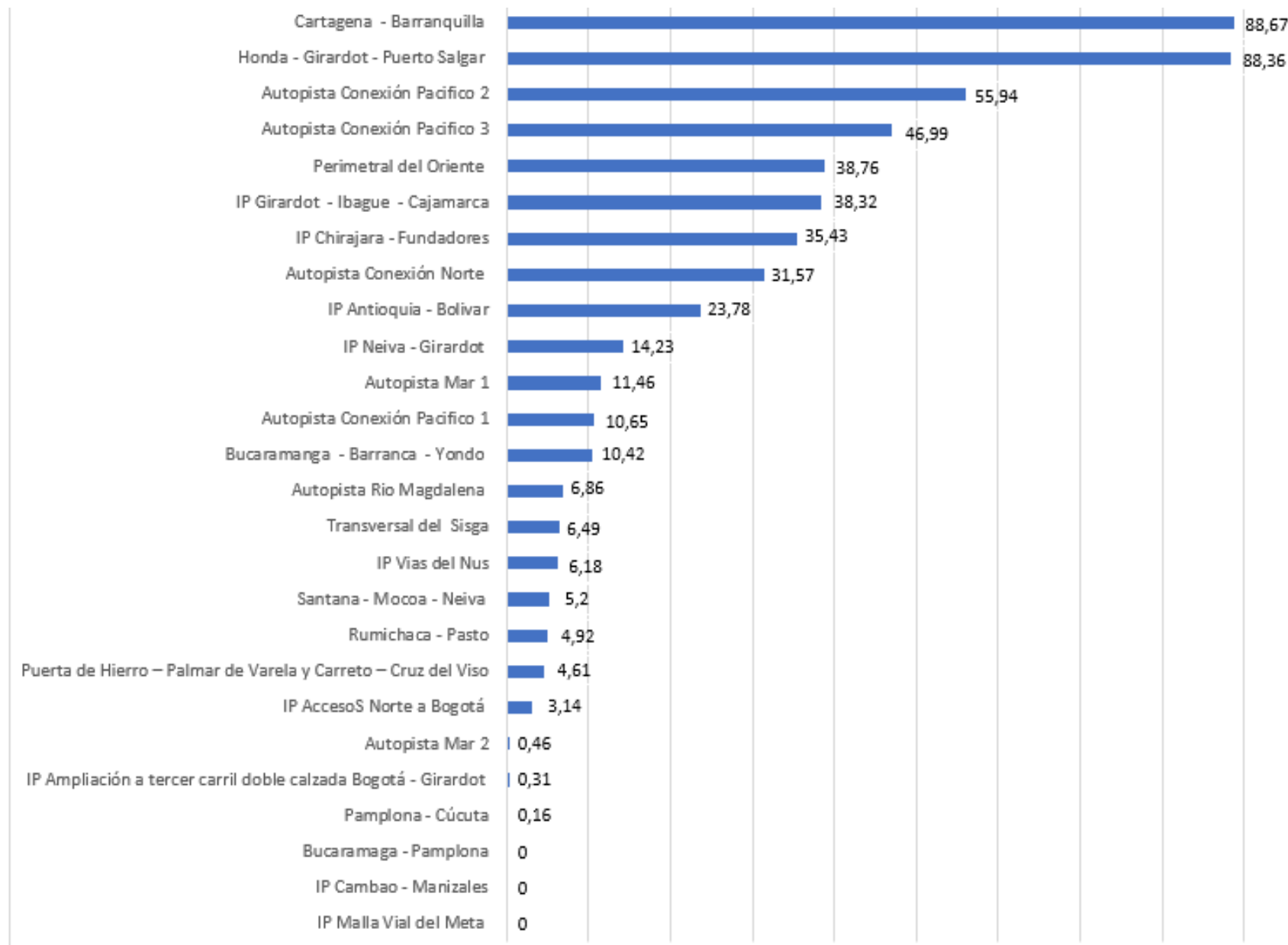
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MINTRANSPORTE

GOBIERNO DE COLOMBIA

24 Construction

7 Pre construction



Green light for Project execution



100%

of negotiations with community
sucessfully closed

68%

of land available
for construction

78%

of environmental
licences secured

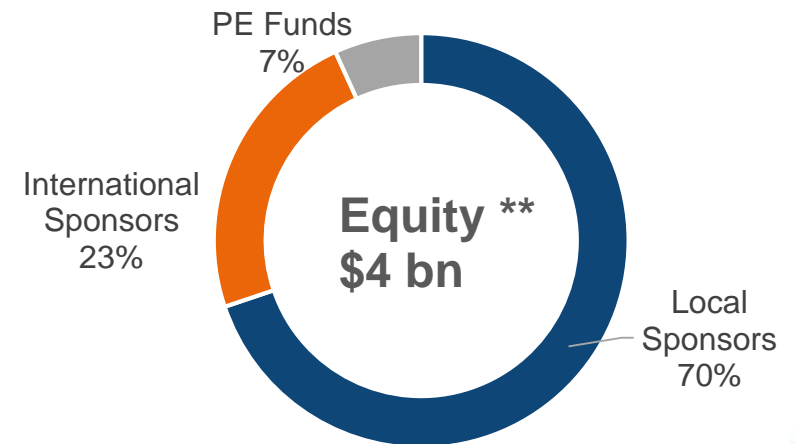
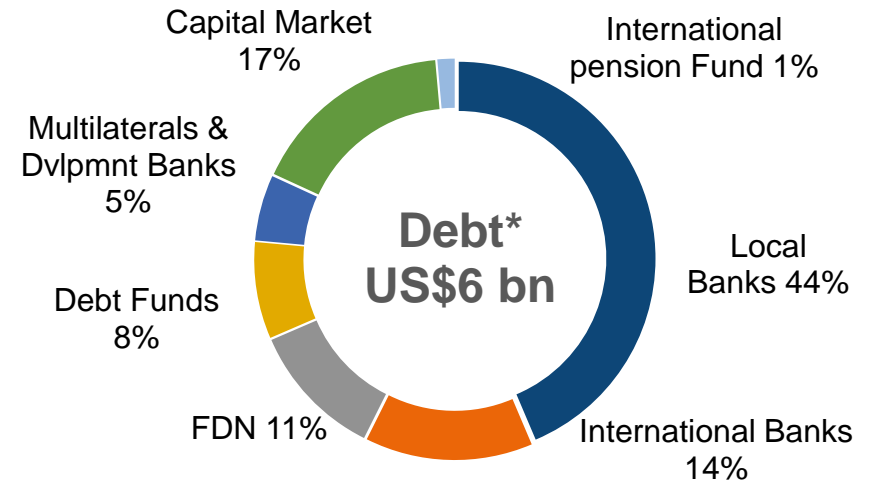
4G Program

Financing to date

- **30** projects
- **16** Financial Closes

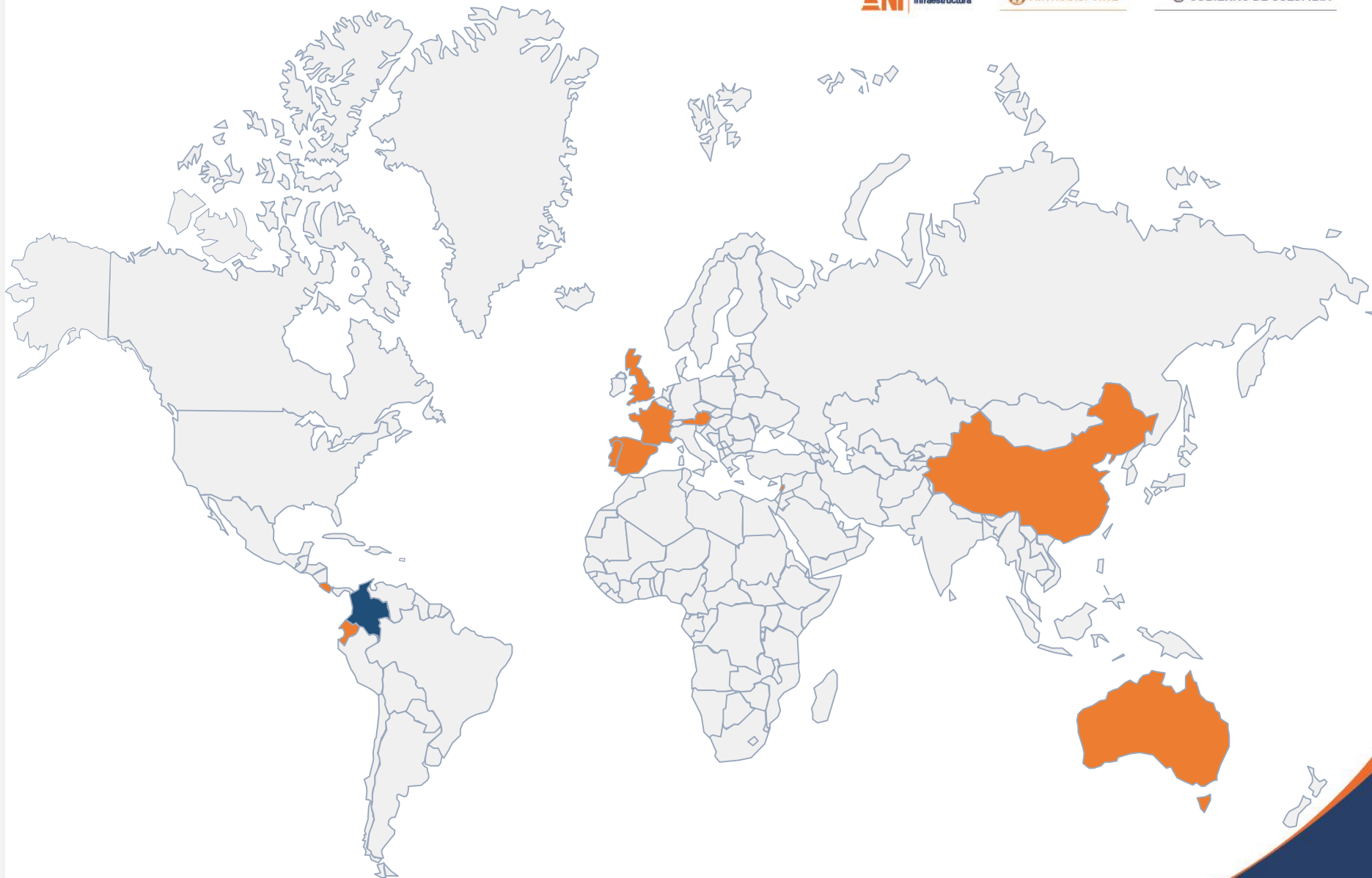
* 16 projects with financial close

** Committed Equity of 4G's 30 projects



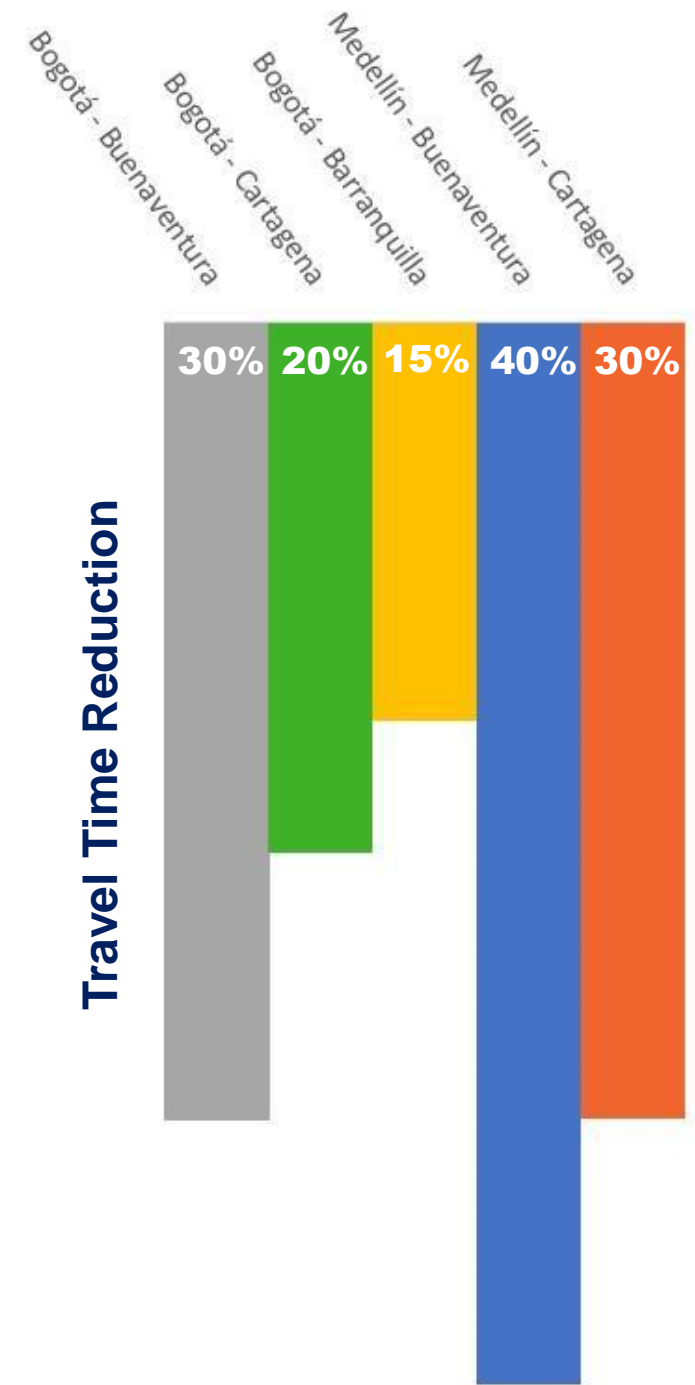
Global Sponsors Participation

Australia
Austria
China
Costa Rica
Ecuador
France
Israel
Portugal
Spain
UK

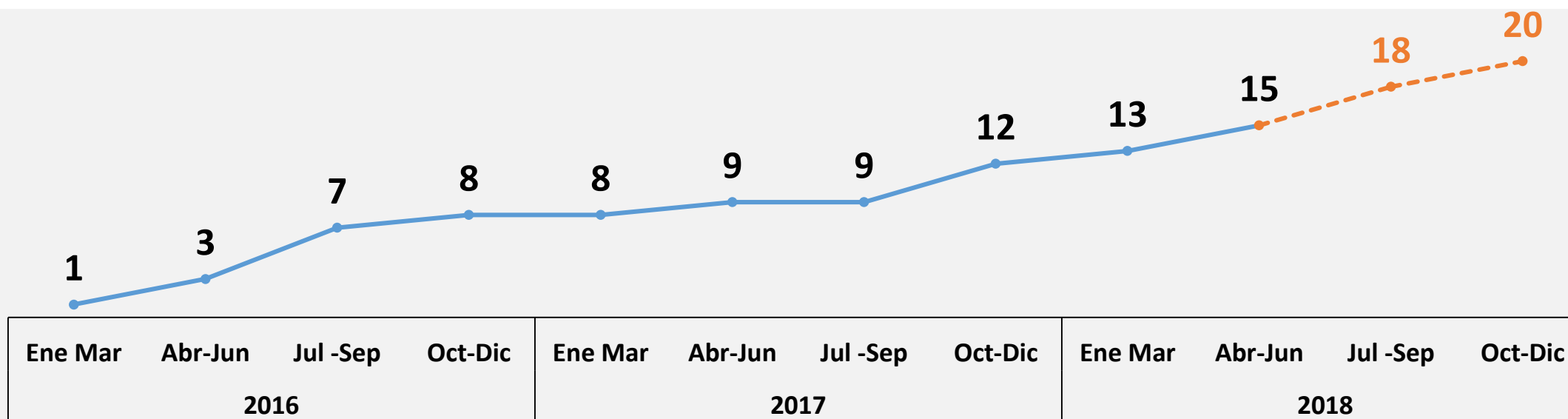


4G Economic and Social Impact

- Direct and indirect creation of **810,000 Jobs**
- 5% increase in long term GDP growth
- Increase in total productivity factor from 0.8% to **1.77%**
- 30% average Time improvement



Financial Closes Acceleration in 2018



16 signed credit agreement for

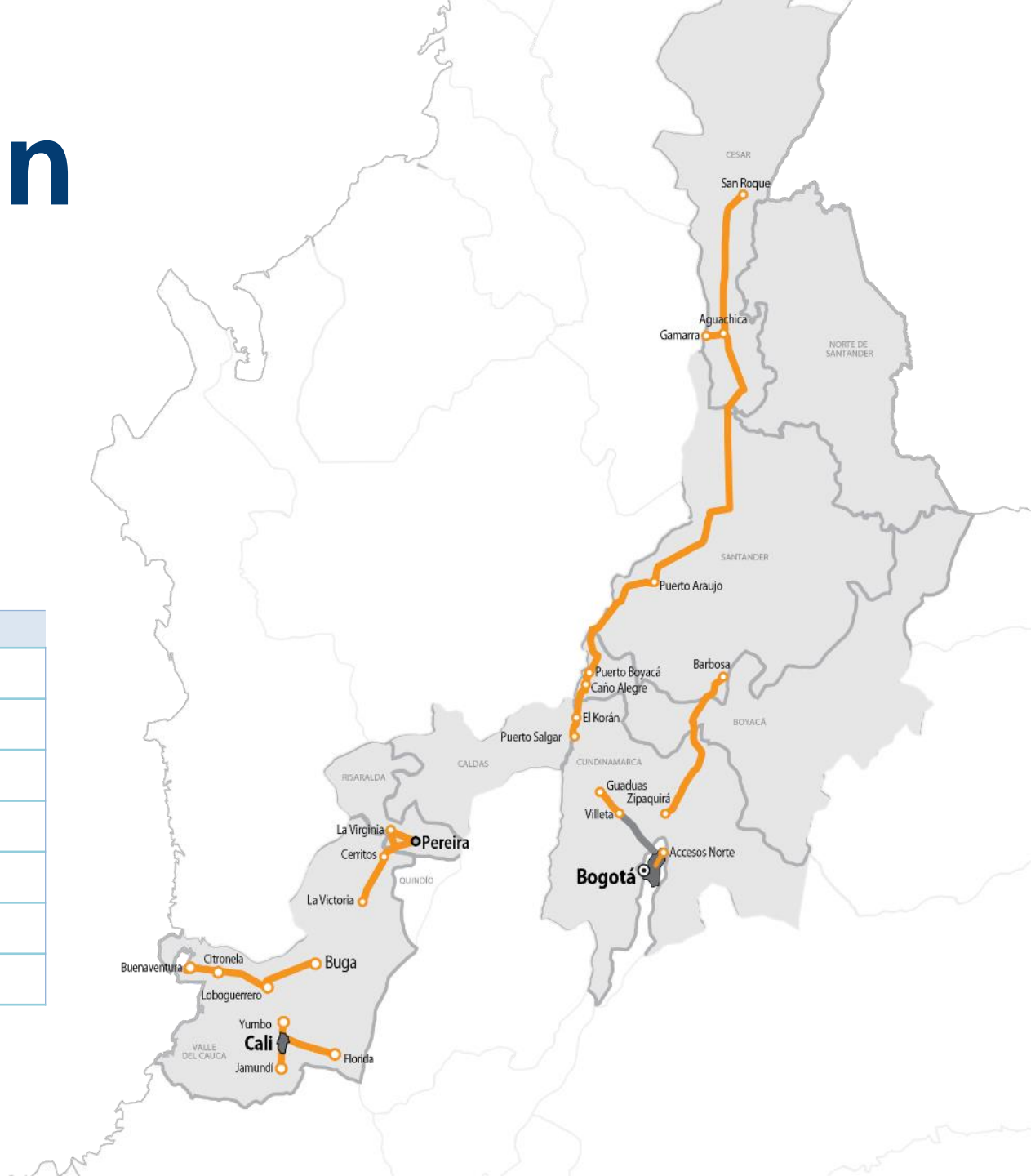
US \$6Bn

Roads: What's Next?

US \$3,4 Bn

Project to be awarded in 2018-2020

| Proyecto | Capex |
|---|----------|
| Villeta – Guaduas – El Koran | \$700 MM |
| Puerto Salgar – San Roque | \$900 MM |
| Buga - Buenaventura | \$600 MM |
| Malla Vial del Valle | \$380 MM |
| IP Pereira - La Victoria - Cerritos - La Virginia | \$100 MM |
| IP ALO Sur | \$200 MM |
| IP Accenorte 2 | \$500 MM |



Project Highlight: Villeta- Gauduas- El Koran

- Total Length

82 km

- Consturction Period

4 Years

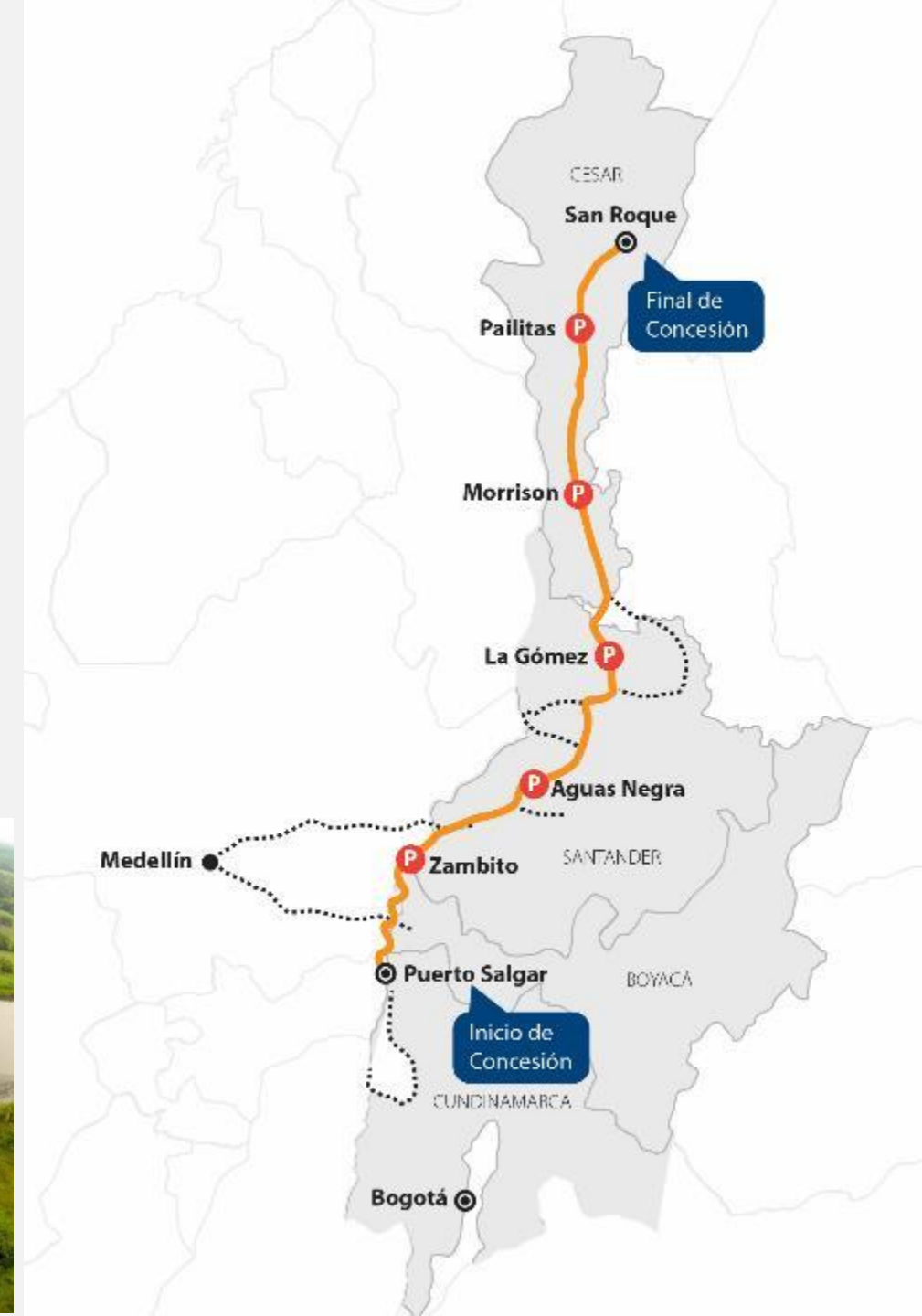
- CAPEX (Est)

\$700 MM



Project Highlight: Puerto Salgar - San Roque

- Total Length
528 km
- Consturction Period
4 Years
- CAPEX (Est)
\$900 MM



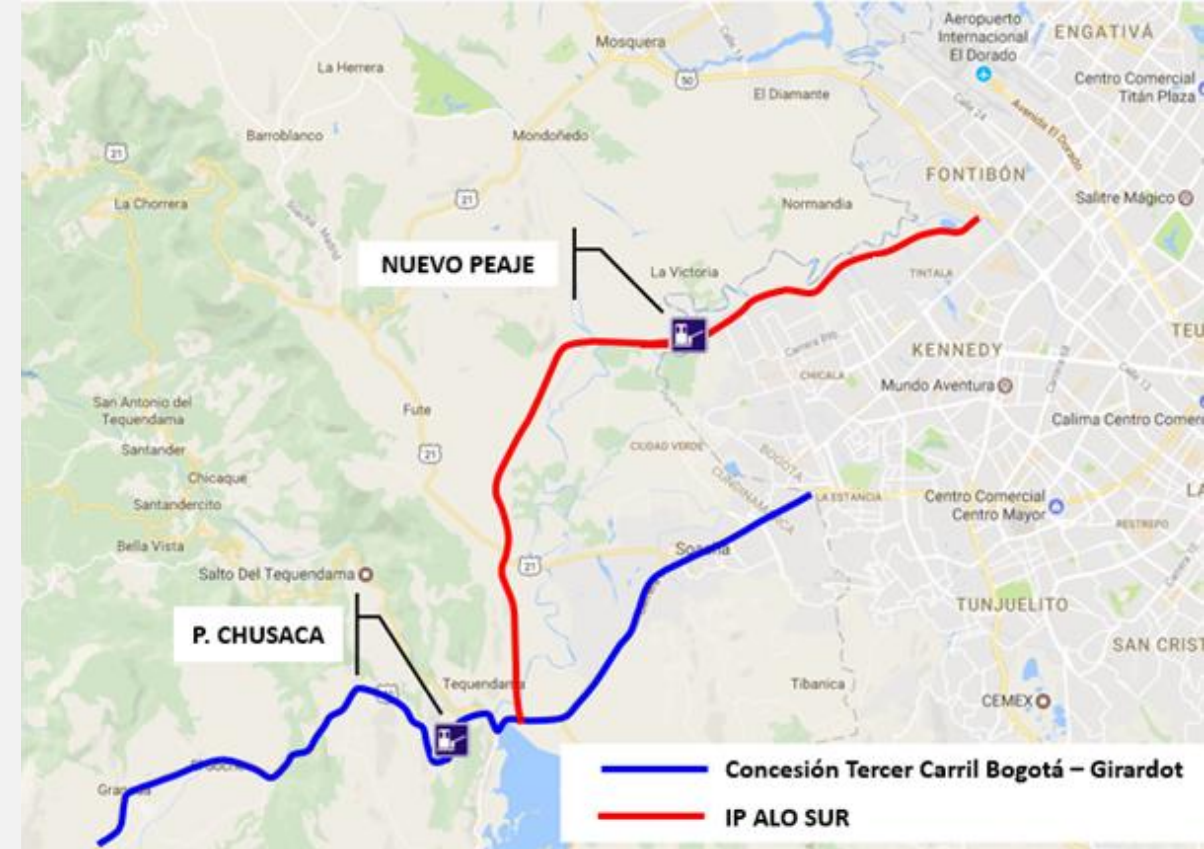
Project Highlight: Malla Vial Del Valle del Cauca

- Total Length
862,2 km
- Construction Period
4 Years
- CAPEX (Est)
US\$ 930 MM



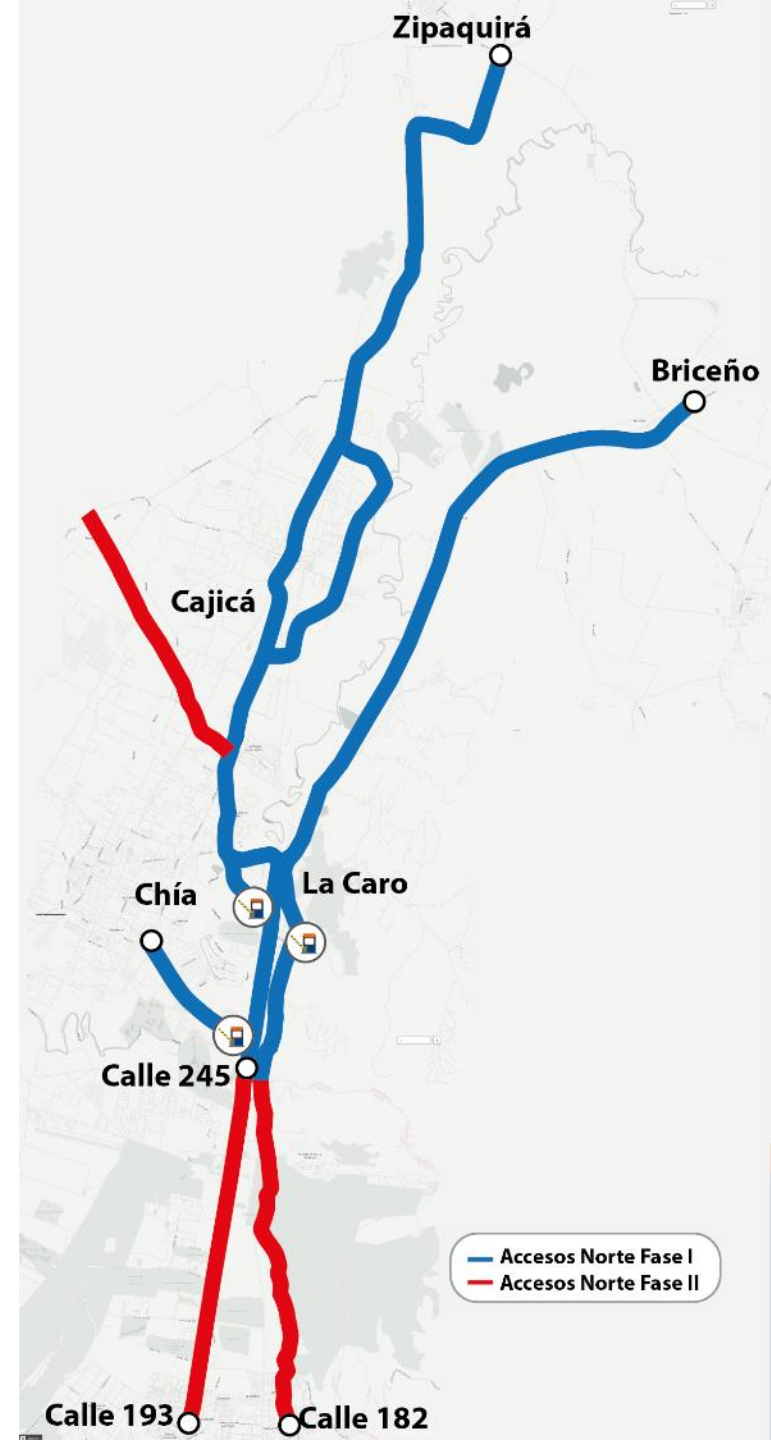
Project Highlight: ALO Sur

- Total Length
24 km
- Consturction Period
4 Years
- CAPEX (Est)
\$200 MM



Project Highlight: Accesos Norte II

- Total Length
41 km
- Consturction Period
4 Years
- CAPEX (Est)
\$500 MM



Thank you

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<http://www.facebook.com/agencianacionaldeinfraestructura>