

# STAKEHOLDERS

INFRASTRUCTURE PROJECTS BY NATURE INVOLVE MANY PARTIES FROM MULTIPLE JURISDICTIONS. THEY TYPICALLY INVOLVE HIGH COSTS, ARE TECHNICALLY COMPLEX, AND SPAN LONG TIMEFRAMES.

## PUBLIC SECTOR

In infrastructure projects, the most important stakeholder is typically the relevant government ministry.

**PRIMARY CONCERN:** Avoiding political reputational risk relating to project time and cost.

---

## PROJECT SPONSOR

Known as the “lead developer,” this is usually the primary equity investor. In emerging markets in particular, the sponsor may bring in other investors, often a local partner.

**PRIMARY CONCERN:** Tying up loose ends and getting the project to financial close as soon as possible.

---

## LENDER

Can (less frequently) be an individual lender, or often, a group of lenders, which may syndicate the loan further.

**PRIMARY CONCERN:** That the loan or bond gets repaid, project cash flows are managed, and risk is limited. While individual bankers are incentivized on the size of their lending book, they need to tell a compelling story to satisfy the bank’s credit committee.

---

## CONTRACTOR

On large projects delivered on a turnkey basis, the preference is for a single EPC (engineering, procurement, and construction) contractor to be in place.

**PRIMARY CONCERN:** Profit margin and performing to minimum guarantees on time and performance.

---

## PROJECT COMPANY

This is normally a company formed as a special purpose vehicle (SPV) purely for the execution of the project.

**PRIMARY CONCERN:** Its concerns are automatically the sum of all previously outlined stakeholders’ concerns.

---

## OPERATORS

The operator is the entity responsible for day-to-day operation of the project, employing the staff and managers and focused on project performance. It is either a third party or the SVP itself.

**PRIMARY CONCERN:** Not operating beyond its competencies.

---

## INSURERS

Banks expect tailored insurance packages from top-level brokers.

**PRIMARY CONCERN:** Understanding risk and exposure and providing comprehensive cover.