Private investment in infrastructure through primary market transactions* is low, at around 100bn and has been declining over the past decade from 156bn in 2010.

Only 25% in 2019 of private infrastructure transactions were in primary markets, down from 64% in 2010.

Private investment in social infrastructure (health care, education and public facilities) declined the most from 19bn in 2010 to only 3bn in 2019.

Private infrastructure investment has been dominated by investment in high-income countries, accounting for 67% of the total on average over the past decade.

Over the past decade, Latin America, Middle East, and North Africa have been fast growing regions for private investment, while Europe has seen the largest decline.

Top areas of private infrastructure investment are:

- Renewable energy
- Transport
- Non-renewable energy

Over the decade, total investment in more carbon-intensive and less sustainable energy was greater than investment in renewables in middle- and low-income countries.

Private investments in low-income countries are mainly denominated in foreign currencies, creating a structural foreign exchange risk for investors.

* New security offerings in either greenfield or brownfield infrastructure projects which normally represent an incremental investment in infrastructure.

All dollar references are in USD.
Infrastructure investment performance key findings

Debt

Infrastructure default risk slows considerably after an initial period (i.e. the construction phase), in contrast to other asset classes which typically experience a steady rise in default over time.

Equities

Over the past ten years, publicly listed infrastructure equities have on average provided lower returns but with lower risk.

Unlisted infrastructure equities outperform listed global equities, both in terms of higher returns (14.6% p.a.) and lower risk.

Emerging markets listed infrastructure equity returns (2.2% p.a.) have underperformed global equity benchmarks and experienced higher volatility.

Debt

- 73% of private infrastructure investment globally was debt financed
- 27% was equity financed over the past decade

Equities

- Publicly listed infrastructure equities have on average provided lower returns (6.7% p.a.) vs higher returns (9.7% p.a.) for global equities.

Social infrastructure

- Has experienced lower default rates than other infrastructure sectors.
- The Middle East and Africa have experienced the lowest default rates and highest recoveries in infrastructure debt.

Unlisted infrastructure equities

- Outperform listed global equities in terms of higher returns and lower risk.

Emerging markets

- Listed infrastructure equity returns have underperformed global equity benchmarks and experienced higher volatility.