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Structure of financing infrastructure project as a factor of its effectiveness

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Abstract

The purpose of this research is to study the need for optimizing the structure of financing the transport infrastructure projects. The analysis of Russian and world practice proves that the financial viability of the project depends largely on the structure of its financing. The study proposes an indicative parameter of assessing the effectiveness of financing the infrastructure projects based on key performance indicators - financial performance indicator with different proportions of equity and debt capital, and different periods of infrastructure facility exploitation. The methodology of finding the indicative parameter includes three steps: considering the effectiveness of the whole project, excluding the impact of the financing structure; considering the effectiveness of the project in the context of different terms of operating concessions, including the impact of the financing structure with government support; identifying the Project's optimal financing structure. The methodology is tested on the construction project of the Moscow-Kazan section of the Moscow-Kazan- Yekaterinburg highspeed railway line.

Keywords

Effectiveness of the financing structure, Financial effectiveness criteria, Infrastructure financing, Infrastructure project, Transport infrastructure