

# **THE REBUILDING OF INDIA: A NEW IBERIAN OPPORTUNITY - CUATRECASAS**

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**For Iberian companies looking for new opportunities around the world, India offers an increasingly attractive investment destination, with the government embarking on an almost unprecedented \$500bn infrastructure investment programme, says Fernando Bernad, finance and projects partner at Cuatrecasas in Madrid.**

'India's sheer scale offers tremendous potential. It is the third largest economy in the world, and still among the fastest growing, and has a population of over a billion people. Nonetheless it needs to almost start again in terms of the efficiency of the country's infrastructure.'

The recent re-election of the Congress-led government has added further momentum to an ambitious investment programme that aims to build or rebuild much of the country's power, road, rail, port and airport infrastructure.

'India's dramatic economic growth over the past two decades has not been matched by investment in its communications, energy or transport infrastructure – the rail network, the largest in Asia, has seen little significant improvement since the country gained independence in 1947.'

India is now seeing its first urban light rail and metro schemes under development, but much remains to be done to cure the chronic transport and traffic congestion in many of its largest cities - Mumbai, India's financial capital and largest city, has a population of 18 million – as well as to develop the necessary communications and energy grids to power its continuing growth.

'There are inevitably issues around financing projects, the nature of the structures used, and the willingness of the government to guarantee schemes, but nonetheless clear opportunities exist. The proposed \$2bn Mumbai airport, for example, will likely be put out to tender this coming year, as will the \$1bn bridge link required to reach it.'

Mindful of the current prohibition on foreign lawyers practising in India, Cuatrecasas nonetheless has significant links and experience of operating in the country, says Bernad. 'What is most important is to be able to facilitate investment, to spot issues and opportunities and to connect businesses locally.'