

Infrastructure: Growth Imperative & Investment Shortage

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What is infrastructure?

- Underlying foundation of a nation's socio-economic growth
 - structure of development
 - operation of a society or enterprise
 - the state of a country's development
 - economic productivity
 - distribution of goods and services
 - access to basic social services
- Urban renewal & development
 - Olympic Stadium Park (UK)
 - London Crossrail (Europe's Largest Public Works)
 - High Speed 2 (UK)

A Network

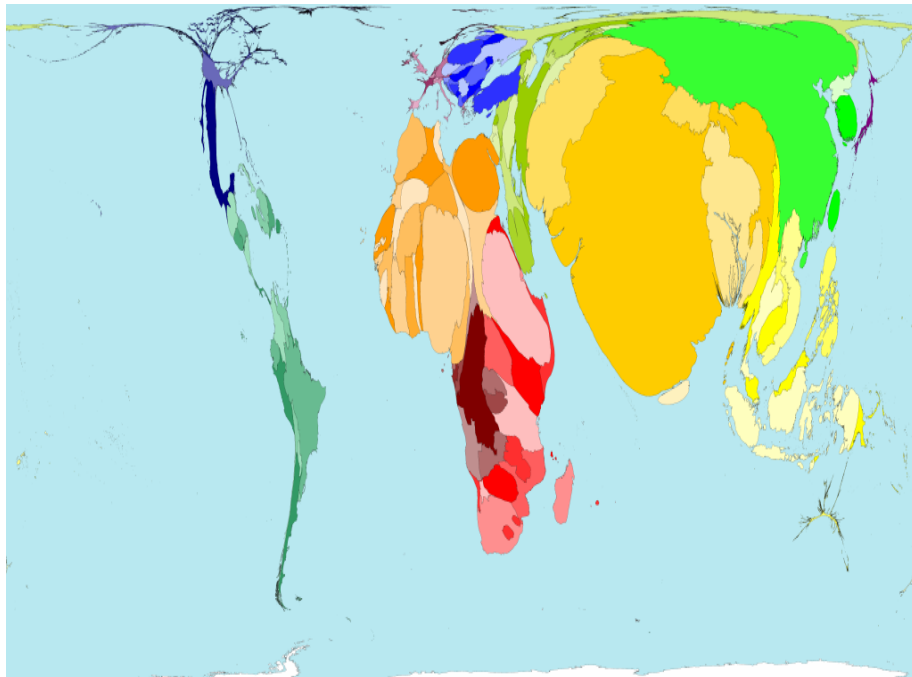


Infrastructure for growth

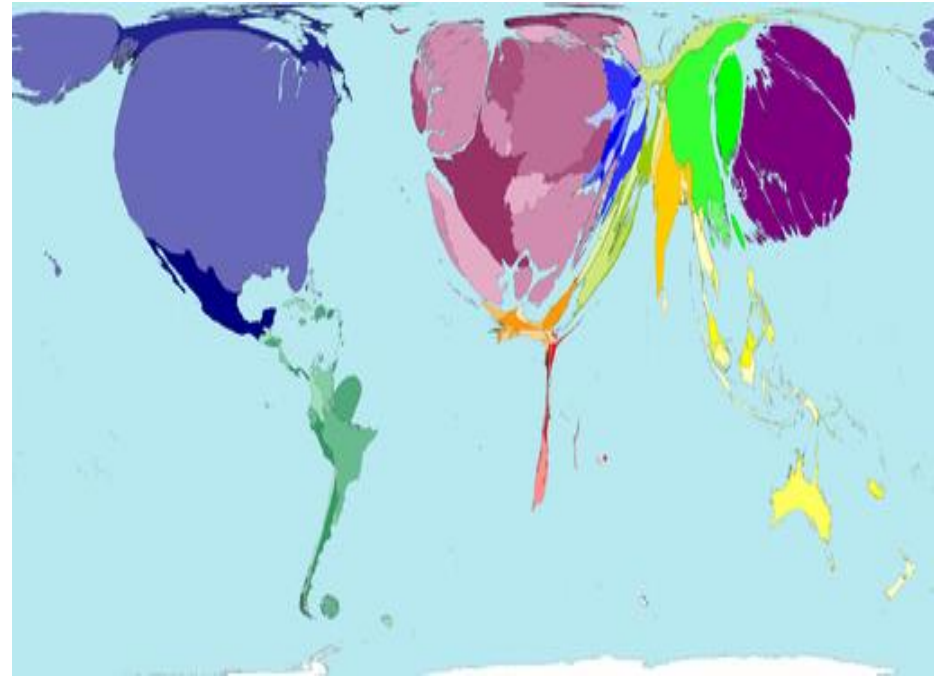
- China inspires
 - 10% rise in investments leads to 1% in GDP in the long-term (Justin Lin, World Bank)
 - China 9% GDP spending
- Impacts
 - Competiveness & Productivity (WEF)
 - Welfare & Prosperity
 - Trade
- Technology transfer strategy
 - Chinese & South Korean Railway construction
 - High speed train technical-know

The Growth Imperative

Human Poverty

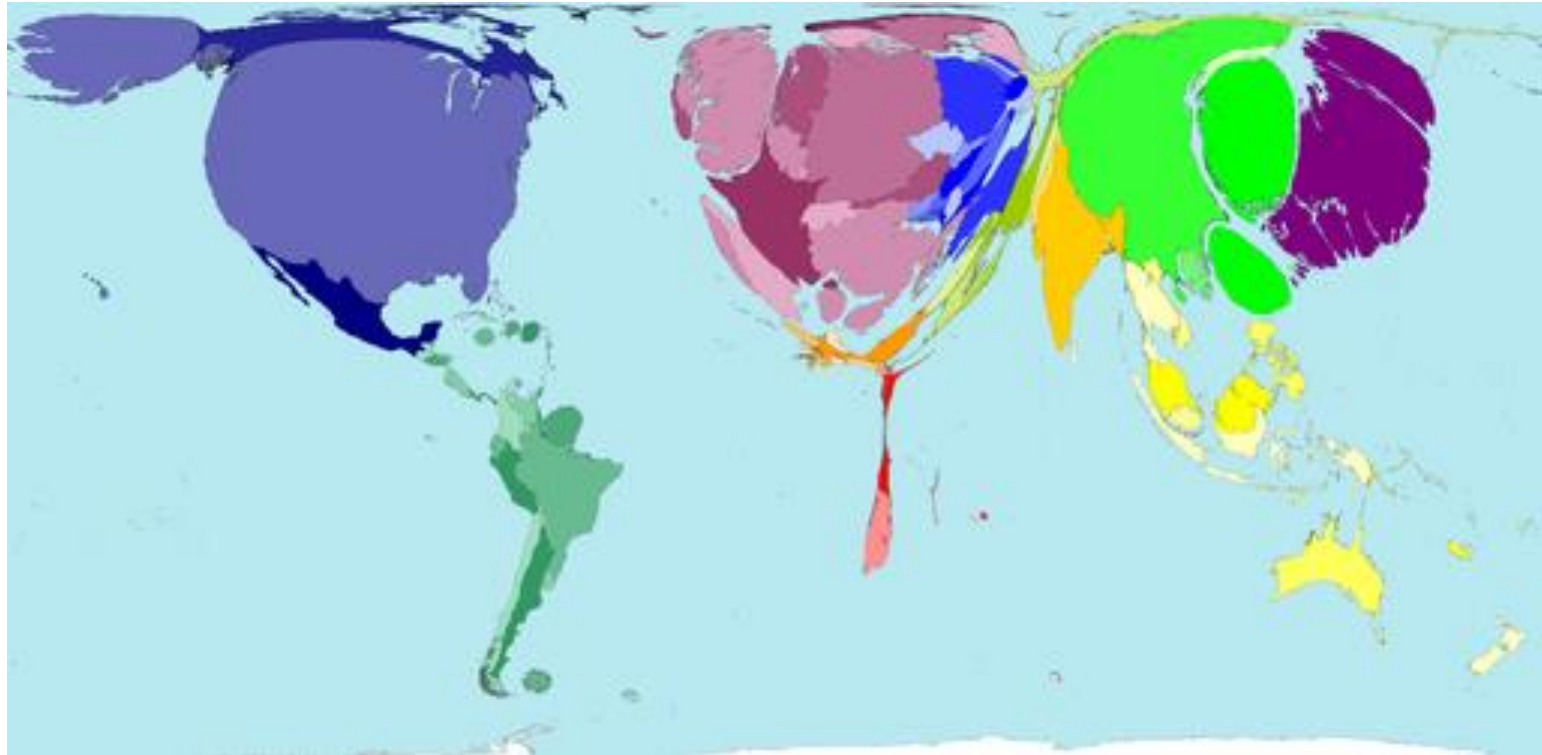


GDP Share



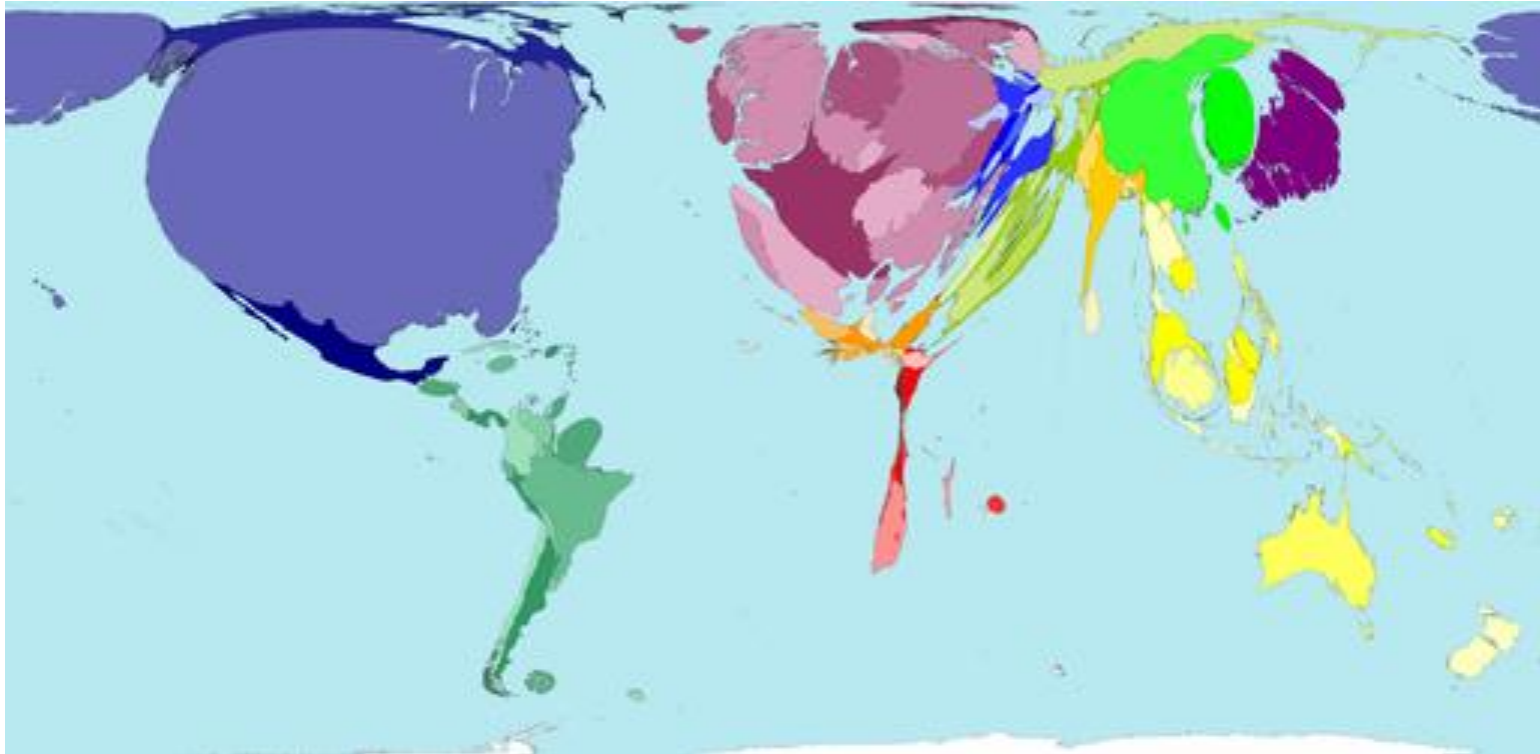
Whither Digital Economy?

Global Internet Usage



Infrastructure & Global Trade

Global Air Travels





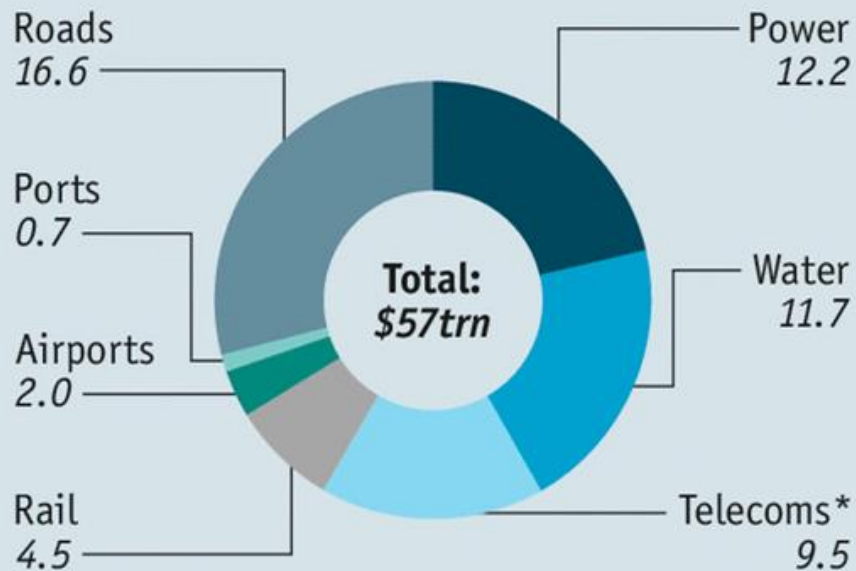
AFRICAN DEVELOPMENT
BANK GROUP

- Programme for Infrastructure Development in Africa (PIDA)
 - The Africa Union’s leadership
- ECOWAS, CEMAC, SADC, EAC, IGAD, COMESA, ECCAS, CEN-SAD, UMA

Global Infrastructure gap

Planes, trains and sewers

Global infrastructure investment required
2013-30, \$trn, 2010 prices

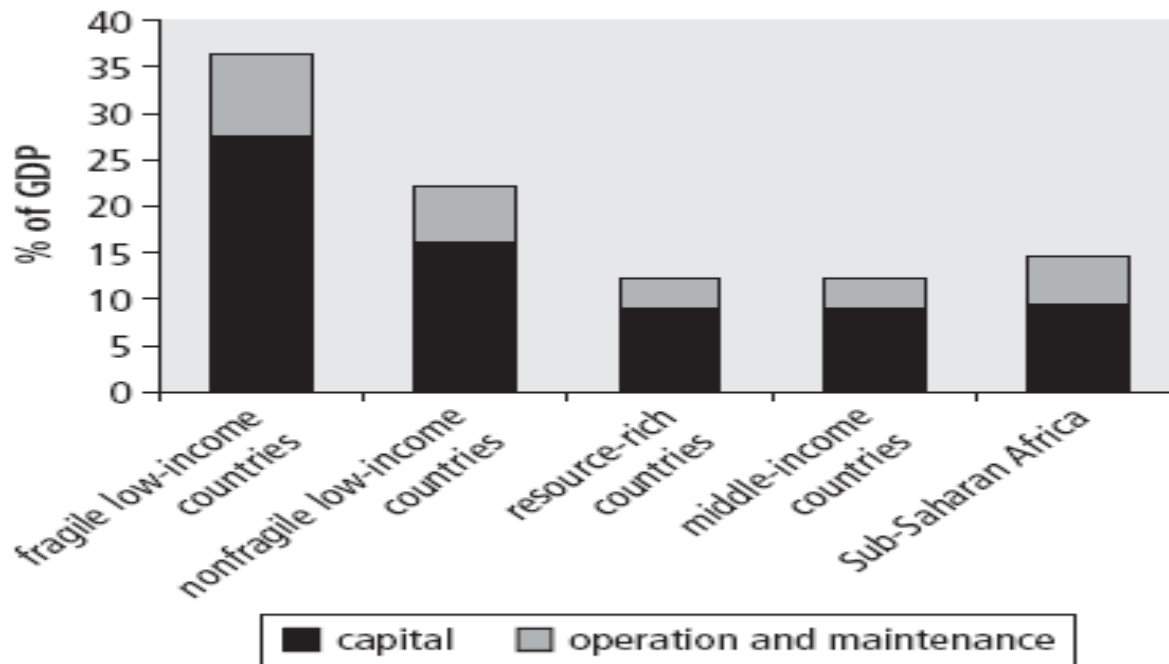


Source: McKinsey
Global Institute

*Brazil, China, India
and OECD countries only

Cost & Burden

Figure 0.3 Burden of Infrastructure Spending Needs

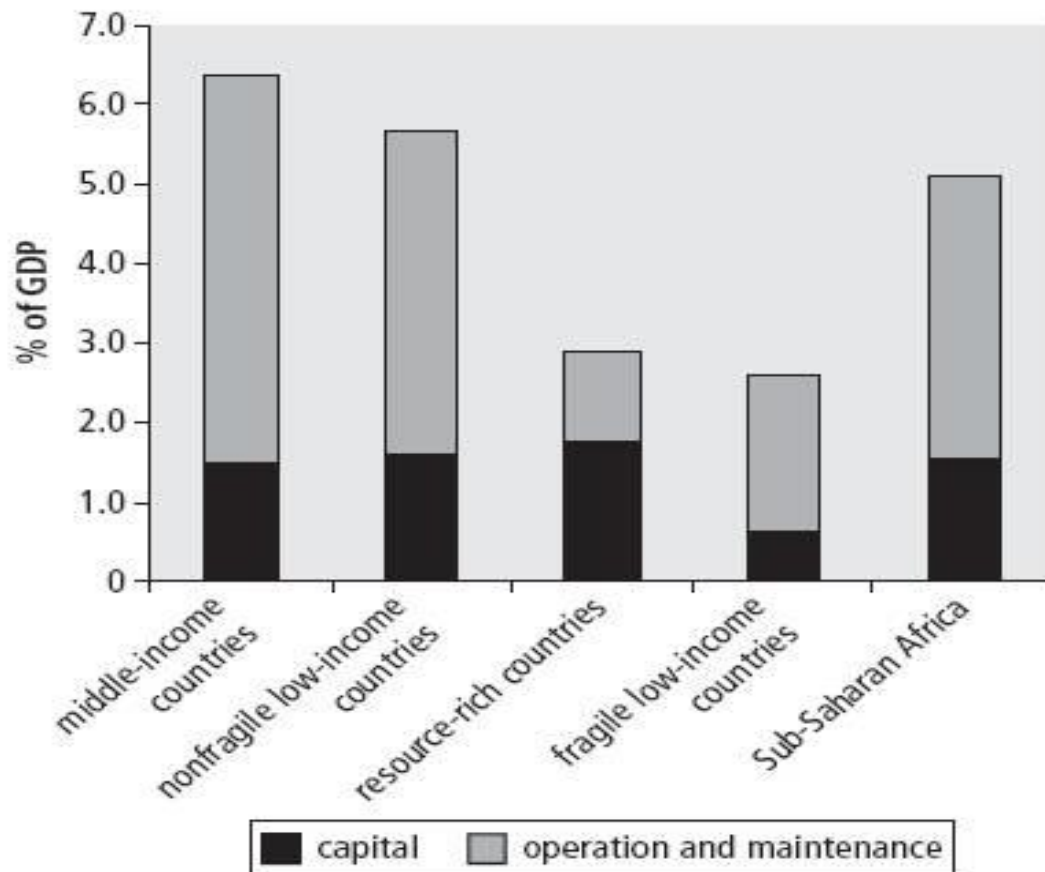


Source: Briceño-Garmendia, Smits, and Foster 2008.

Note: Figures refer to investment (except public sector) and include recurrent spending. Public sector covers general government and nonfinancial enterprises.

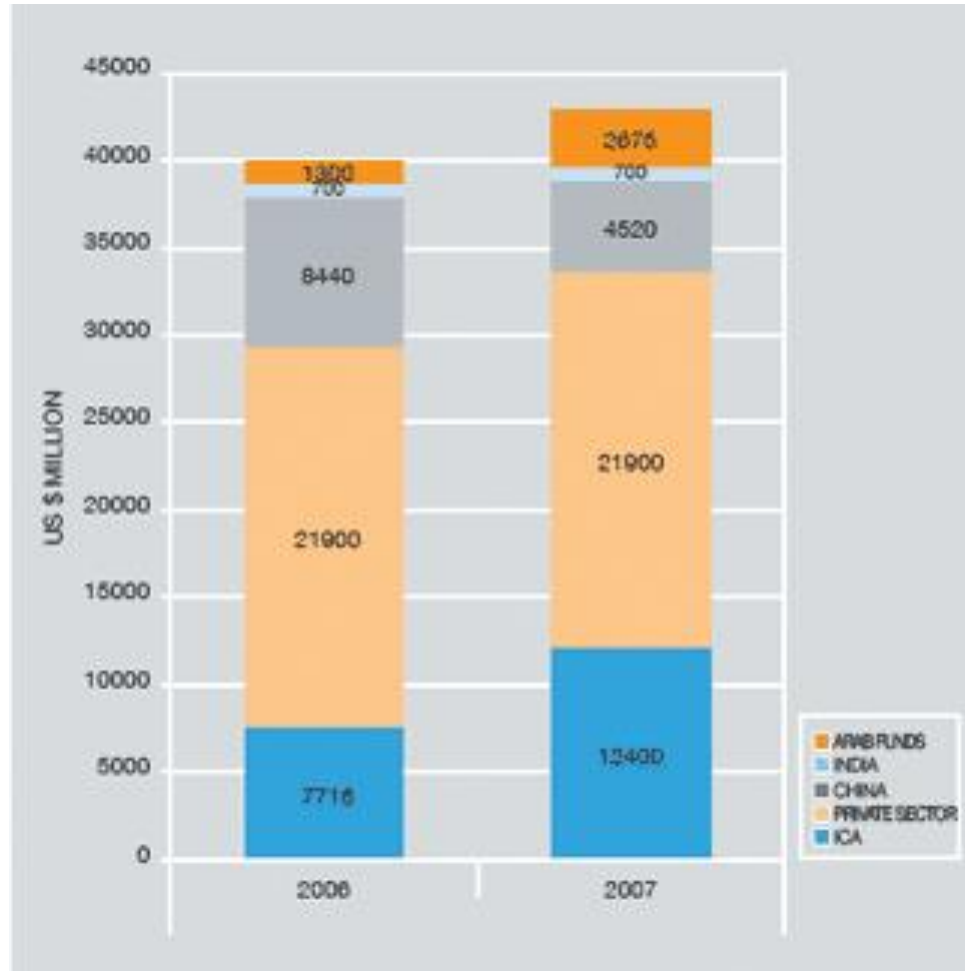
Need for Private Investment!

Figure 0.4 Infrastructure Public Spending as a Percentage of GDP



Source: Briceño-Garmendia, Smits, and Foster 2008.

China, India & Arabs Emerge



Partnerships!!!!



NEPAD Council: “In support of Africa’s Development”

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