

World Economic Forum Launches Two Reports on Boosting Strategic Infrastructure

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- The World Economic Forum is working with the African Union Commission, the New Partnership for Africa's Development (NEPAD) Planning and Coordinating Agency, the African Development Bank and a business working group of 35 leading infrastructure companies on regional infrastructure development in Africa.
- Launched today, [*Strategic Infrastructure in Africa: A business approach to project acceleration*](#) focuses on regional project acceleration in Africa.
- A second report, *Steps to Prepare and Accelerate Public-Private Partnerships*, provides an actionable framework and best practices for preparing PPPs, which could help bridge the infrastructure gap in Africa and other regions.
- For more information about the World Economic Forum on Africa, please visit: <http://wef.ch/africa13>

Cape Town, South Africa, 10 May 2013 – Infrastructure development is one of the top political priorities in Africa. The lack of existing infrastructure and future investments is a key factor hampering the continent's economic development, trade and jobs creation. At last year's World Economic Forum on Africa, 35 companies, multilateral development banks, NGOs, regional experts and organizations formed a Business Working Group to address this challenge.

The resulting initiative, co-led by the African Development Bank (AfDB) and the World Economic Forum in collaboration with the African Union Commission and the New Partnership for Africa's Development (NEPAD) Planning and Coordinating Agency, aims to accelerate project preparation and implementation of the Programme for Infrastructure Development in Africa (PIDA), a portfolio of crucial projects for regional infrastructure development on the continent. The heart of PIDA is the Priority Action Plan (PAP), 51 programmes promoting regional integration. The Business Working Group is working to add a private-sector perspective to the implementation of the PAP.

Donald Kaberuka, President, African Development Bank (AfDB), Tunis, stated that "the AfDB welcomes the positive partnership and collaboration with the World Economic Forum in establishing the BWG ... We are confident that, through this results-driven dialogue, key bottlenecks will be removed and immense opportunities created for the private sector."

The BWG has developed a methodology to identify and prioritize projects that may benefit from private sector acceleration. [*Strategic Infrastructure in Africa: A business approach to project acceleration*](#), a report released today by the World Economic Forum in collaboration of the Boston Consulting Group, introduces this methodology and gives an overview of potential new ways to finance infrastructure project acceleration. The report offers a private-sector perspective for project assessment and can serve as a guide for public officials seeking to attract private investors.

A Worldwide Issue

The infrastructure investment gap is not just an African challenge. While many governments do not have the financial resources to develop the required infrastructure assets, institutional investors are seeking attractive, long-term investment opportunities. In such an environment, public-private partnerships (PPPs) can boost infrastructure. Despite this seeming fit of demand for and supply of private capital, too few projects get off the ground.

[*Strategic Infrastructure: Steps to Prepare and Accelerate Public-Private Partnerships*](#), a report released today by the World Economic Forum in collaboration with the Boston Consulting Group, outlines government best practices for overcoming the various challenges of the PPP delivery model and for closing the preparation gap. Citing case studies of past PPPs, it details the complex preliminary actions that the organizers of a PPP must undertake. Four best-practice areas come under scrutiny: managing the project-preparation process; conducting a feasibility study; structuring the contract; and enhancing the enabling environment.

Hamish Tyrwhitt, Chief Executive Officer, Leighton Holdings, Australia, and Chair of the Forum's Strategic Infrastructure Steering Committee, emphasized that to "prepare bankable PPPs, robust project planning with clearly stated objectives, strategy and risks is essential." Any government may use the framework presented in this report as guidance for PPP preparation and to accelerate infrastructure development for the benefit of society.

Rashad R. Kaldany, Vice-President and Chief Operating Officer, International Finance Corporation (IFC), Washington DC, and a Member of the Forum's Strategic Infrastructure Advisory Committee, commented that the report "will be valuable in infrastructure projects in any given country ... It can bring significant results in terms of economic growth in a socially and environmentally sustainable way."

With the support of the Government of South Africa, the World Economic Forum on Africa is being held in Cape Town, South Africa, from 8 to 10 May. Over 1,000 participants from 80 countries are taking part. Under the theme *Delivering on Africa's Promise*, the meeting's agenda will integrate three pillars: Accelerating Economic Diversification; Boosting Strategic Infrastructure; and Unlocking Africa's Talent.

The Co-Chairs of the World Economic Forum on Africa are Frans van Houten, Chief Executive Officer and Chairman of the Board of Management and the Executive Committee, Royal Philips Electronics, Netherland; Mo Ibrahim, Chairman, Mo Ibrahim Foundation, United Kingdom; Mustafa Vehbi Koç, Chairman of the Board, Koç Holding, Turkey; Frannie Léautier, Executive Secretary, The African Capacity Building Foundation, Zimbabwe and Arif M. Naqvi, Founder and Group Chief Executive, Abraaj Group, United Arab Emirates.

Notes to Editors

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