



Development Conference

Infrastructure for Inclusive Growth

Wednesday, 29 June 2011

Cape Town, South Africa

9:00 Opening remarks

DWG Co-Chair for South Africa (Presidency)

Minister of Finance, **Pravin Gordhan** *“Providing Infrastructure for Inclusive Growth”*

9:30 Session 1: Infrastructure for Trade and Regional Integration

CHAIR

Mmakgoshi Phetla-Lekhethe: Deputy Director General, International and Regional Economic Policy, National Treasury

SPEAKERS

Changyong Rhee: Chief Economist, Asian Development Bank
National Planning Commission, South Africa [speaker TBC]

DISCUSSANTS

World Bank [speaker TBC]

Nazir Alli: CEO South African National Roads Agency

It is widely recognized that interconnectedness through transport, power and communication networks is vital to capacity to trade, the development of value chains and the transformation of economic structures. The experience of developing Asia illustrates the important role that cross border infrastructure plays in the process of regional integration and dynamic effects. This is among

the reasons why regional infrastructure projects have been identified as a key priority in the G20 Multi Year Action Plan on Development.

The purpose of this session is to share information about what has worked in different contexts, and how the complex political, institutional and financing challenges of infrastructure projects in support of integration objectives can be overcome. Speakers will also reflect on the role and interests of the private sector, multilateral institutions and civil society and how infrastructure networks should be planned and developed in order to expand economic opportunities and ensure that growth is inclusive.

11:00 Tea

11:15 Session 2: Infrastructure for Improved Productivity in Agriculture

CHAIR

Jay Naidoo: Chair of the Board of Directors of the Global Alliance for Improved Nutrition

SPEAKERS

Geraldo Martha, Researcher at Embrapa Brazil

Mr. Rajiv Lal, G20 High Level Panel on Infrastructure

DISCUSSANTS

Gayle E Smith, Senior Director, Development and Democracy [TBC]

Haiming Wang, Professor of China Agriculture University

There is international recognition that increased food production is vital to price stability, and the current high prices for many commodities suggest both challenges and opportunities for many economies. Investment in the agricultural sector can make a very significant contribution to improving productivity in this sector which in turn can be a significant driver of economic growth and poverty reduction, both from within the sector and through the support that this provides to other sectors. Roads and access to electricity are vital to access research and technology and increasing options for production and output.

The purpose of this session is to share information about how some economies have been able to increase their agricultural production and productivity, and how this has impacted on growth in other sectors of the economy, as well as human development.

Speakers in this session will reflect on the unique characteristics of their country experiences, and the role that infrastructure played in the progress that they have made.

12:45 Lunch

Briefing Session by the South African Department of International Relations and Cooperation (DIRCO) on COP17

14:00 Session 3: Financing infrastructure

CHAIR

Admassu Tadesse: Executive Vice-President, Corporate Strategy and International Finance, at the Development Bank of Southern Africa

SPEAKERS

Jacques Moineville, Agence Française de Développement

David Munro, Chief Executive, Corporate and Investment Banking, Standard Bank of South. Africa

DISCUSSANTS

Dr Yan Wang, IPRCC advisor

Rosalind Thomas, NEPAD Business Foundation

In most developing countries, infrastructure is financed by the public sector, private sector and official development assistance. During the 1990s there was a sharp fall in investment to this sector. Reasons for this included unrealistic expectations of private sector participation in particular contexts, the long periods of investment required and reduced public spending.

Infrastructure spending has dominated the recovery packages of many countries in response to the global financial crisis and some argue that one of the central solutions to the absence of demand in the global economy is sharp increase in investment in infrastructure in developing countries. This investment would in turn bring global returns through existing trade linkages. However, in an increasingly resource constrained multilateral context with pressures on the national budgets of many economies, financing national and regional infrastructure expenditure remains a challenge.

Speakers in this session will reflect on the range of options available to developing countries.

3:30 Tea

3:45 Session 4: The Greening of Infrastructure

CHAIR

Joanne Yarwich, Chief Executive Officer of the National Business Initiative

SPEAKERS

Ravi Naidoo, DBSA

Korea Global Green Growth Institute [speaker TBC]

DISCUSSANTS

Héla Cheikhrouhou, Director Energy, Environment and Climate Change African Development Bank
Greenpeace International [speaker TBC]

Infrastructure investments are critical to national policies to deal with climate change risks and other environmental challenges. Greening infrastructure requires intense debate and difficult decisions with respect to the optimal choices for transport and energy production. Creating incentives for change through subsidies also has fiscal costs.

Speakers in this session will reflect on the risks and opportunities that the shift to low carbon (and inclusive) growth provides for developing countries, and the potential contribution that this investment could make to stimulating global aggregate demand and providing increased employment.

5:15 Closing Panel: The Way Forward and Key Messages for the G20 Development Working Group

G20 DWG Chairs from South Africa, France and Korea