

GI Hub calls on governments to look to infrastructure for economic stimulus

Monday, 29 February – SHANGHAI, China: G20 organisation the Global Infrastructure Hub (GI Hub), has today called on governments to re-focus their efforts on the development of bankable infrastructure opportunities in order to reignite the global economy.

The GI Hub was launched in 2014 with a G20 mandate to increase the flow and the quality of opportunities for public and private infrastructure investment.

In a speech delivered at GI Hub's conference on *Building Capability, Managing Risks and Enhancing Efficiency*, Chairman John Fraser and CEO Chris Heathcote cited estimates from the OECD and McKinsey which reveal that the world is falling short of its infrastructure investment requirement of \$50-60 trillion by 2030. The Global Infrastructure Hub estimates that markets will fall short of this target by US\$10 - \$20 trillion with a detrimental impact on the global economic outlook.

Speaking at the conference, GI Hub Chairman John Fraser said, "Governments need to ensure they are viewing infrastructure as a crucial input into strong, sustainable, long term growth. The right infrastructure can lift incomes, create opportunities, support economic development and help alleviate poverty.

"Looking at a more granular level at the development impacts of infrastructure investment, clean water will reduce childhood mortality, household electrification will improve childhood literacy and paving of roads will assist girls' school attendance," he continued.

In a speech delivered to business leaders and public sector representatives, GI Hub emphasised the need for targeted reforms and improved regulatory frameworks, labelling these as fundamental to building the public confidence that will allow innovative infrastructure solutions. As a first step to addressing this gap, GI Hub announced the development of a central Global Knowledge network to help provide advice to countries from around the world interested in pursuing PPP infrastructure investment opportunities. The network will help private and public investors to assess risk and provide a consistent framework to prioritise and measure reform opportunities.

Global Infrastructure Hub CEO Chris Heathcote said "The role of the private sector in driving innovation in infrastructure markets often draws attention, however government innovation also plays a strong role.

"By developing the Global Infrastructure Hub as a resource for sharing best practice and helping build the community of government officials with responsibility for infrastructure, we will be able to play an important role in driving the next generation of innovations.

It will only be with a renewed effort from the public sector that we will be able to successfully navigate global challenges to infrastructure and continue to build a robust project pipeline to drive economic growth and deliver the social benefits associated with this," he added.

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About the Global Infrastructure Hub

The Global Infrastructure Hub has a G20 mandate to grow the global pipeline of quality, bankable infrastructure projects.

By facilitating knowledge sharing, highlighting reform opportunities and connecting the public and private sectors, its goal is to increase the flow and quality of private and public infrastructure investment opportunities in G20 and non-G20 countries.

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