

FIDIC-GAMA 2017



Conference on Infrastructure

7 - 10 May | Cape Town | South Africa

African Partnerships for Sustainable Growth

FATIMA COLLINS

Infrastructure development as a key driver of sustainable social and economic development



#FIDIC_GAMA2017



The country needs and, unless I mistake its temper, the country demands bold, persistent experimentation. It is common sense to take a method and try it: If it fails, admit it frankly and try another. But above all, try something.“

- Franklin D. Roosevelt, 1932



Investment in Infrastructure Development





Why is infrastructure development imperative for Africa?

- Africa has **six of the ten most unequal economies** in the world

(Business Insider, 2011)

- Africa is the world's most **unequal continent** when comparing Gini coefficients
- Only **38 %** of Africa's population has access to **electricity**
- Only a **quarter of roads** in Africa are **paved**

(NEPAD – Africa Renewal, 2014)



The cost of poor infrastructure

- **Poor road, rail and port** facilities add **30% to 40%** to the cost of good traded across the continent
- **Adverse effect on private sector development and FDI**
- **Poor infrastructure** in parts of **Africa** reduced **national economic growth** by **2% points** every year
- **Cut Business productivity** by up to **40%** in Africa
- **Africa** – the region with the **lowest productivity** levels in the world
- **75%** of Africa's population **< 25 years old**
(NEPAD – Africa Renewal, 2014)
- **Youth bulge** = demographic **dividend** or demographic **bomb**



Leveraging infrastructure investment for development

- **Angola – state led infrastructure spending** resulted in job creation that reduced unemployment to **26% in 2014 from 35% 8 years earlier**
- **Kenya – investment in energy and railroad infrastructure** has boosted the **growth** in the country to approximately **6%-7% through 2017 compared to 5.4% in 2014**

(The Conversation, 2015)



Key to leveraging infrastructure development as a driver for sustainable development

- Long-term strategy for **social and economic development**
- **Assessment of communities:** needs and assets
- **Stakeholder** engagement and participation
- Facilitating **linkages** and **networks**
- **Skills development** and transfer strategy
- Strategy for the **development of local industries**
- **Small business** development initiatives



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Thank you for attending.



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