



**Global
Infrastructure
Facility**

A G20 INITIATIVE



SUSTAINABLE INFRASTRUCTURE PROJECT PREPARATION:

HELPING DEVELOPING

**COUNTRIES
THROUGH
COVID-19 AND
BEYOND**

The coronavirus (COVID-19) pandemic represents a significant challenge to the global economy.

Emerging markets and developing economies are being especially hard-hit. While immediate government attention is afforded to the urgent health crisis, we **must not lose sight of the importance of the sustainable infrastructure agenda** in developing countries.

Sustainable, quality infrastructure investments are crucial to build a solid foundation for post-crisis recovery and the stakes and benefits for developing countries could not be higher.

For public services that are provided through economic infrastructure – transportation, energy, water and sanitation, and digital communications – and for developing countries that strive to crowd-in private investment into these sectors, **upstream project preparation** informed by rigorous analyses, best practices, good governance, transparency, and fiscal sustainability is key. **Quality project preparation helps countries build – and build back better.** In support of the G20 commitment to achieve strong, sustainable, balanced and inclusive growth, the emphasis on upstream project preparation through the COVID-19 pandemic and beyond is grounded in the following principle observations:





SUSTAINABLE INFRASTRUCTURE PLAYS A KEY ROLE IN ECONOMIC STIMULUS, RECOVERY AND JOB CREATION

This is an even more critical time for infrastructure in developing countries, as **infrastructure undergirds economic activity**. It enables economic growth and social progress, as well as connects people to services, goods, and markets. **Sustainable, quality infrastructure as part of green stimulus packages can accelerate economic activity and shorten time for recovery** by creating jobs in the short-term and improving the delivery of key public services and contributing to achievement of the Sustainable Development Goals (SDGs), which have positive long-term impacts, as well



DEEPENING PUBLIC FISCAL CONSTRAINTS EXACERBATE THE NEED FOR MOBILISING PRIVATE INVESTMENT INTO SUSTAINABLE INFRASTRUCTURE

As **public budgets** become further constrained across developing countries, **mobilising private investment** into sustainable infrastructure is ever more critical. We must help governments understand the evolving nature of demand for public services and how COVID is impacting bankability considerations for infrastructure programs and projects that are in-train. This also means understanding fiscal sustainability dimensions of governments. Considering shifting private sector risk appetite owing to COVID-19 impacts on global markets, **structuring investment opportunities, including through well-balanced Public-Private Partnerships, that are attractive to private capital and fiscally responsible are ever more important.**



SUSTAINABLE INFRASTRUCTURE IS A SIGNIFICANT CONTRIBUTOR TO ACHIEVEMENT OF THE SDGS

We **cannot afford to lose traction on the SDGs** should narrowing public budgets translate into **pressure** for lower-quality, higher-carbon, and less resilient infrastructure investments (i.e. dirty, fast, and cheap). We must **seize the opportunity to forge greater sustainability and enhanced resiliency** – and resiliency also includes resilience against future global and national shocks like COVID-19.



SUSTAINABLE INFRASTRUCTURE PLANNING AND PIPELINE PREPARATION IS A LONG-TERM PLAY

Since it takes more than a year (sometimes several years) for governments to move from “idea to investment”, we need to be sure that there is **continued robust support for developing countries to prepare bankable pipelines of sustainable, quality ‘shovel ready’ infrastructure investment opportunities that maximise private investment**. Developing country governments must be provided the up- and mid-stream support to create sustainable infrastructure pipelines that integrate climate considerations – mitigation, as well as adaptation and resiliency – and consider advances in Infratech and digital to ensure the continued provision of badly needed public services, which in many cases were deficient prior to the crisis and will feel stress as “normalcy” and recovery take shape.



PROVEN GLOBAL PLATFORMS LIKE THE GLOBAL INFRASTRUCTURE FACILITY PROVIDE IMMEDIATE DEPLOYABILITY

The role of the development finance community including **donor-funded global collaboration platforms like the Global Infrastructure Facility are uniquely positioned** to support developing countries in times of economic downturn and in green recovery. The GIF’s distinctive business model of coupling project preparation funding with hands-on technical expertise to developing country governments and our multilateral development bank partners to complement and expand in-house capabilities and address capacity gaps is a **powerful enabler of private investment in sustainable, quality infrastructure across developing countries.**