

**1. Improving data and information on infrastructure**

1.1 Improve metrics on catalyzation of private investment

- An MDB Task Force on Private Investment Catalyzation agreed on definitions and a methodology to measure and jointly report on private investment mobilized by MDBs. Their proposals were endorsed by all MDB Heads. The MDBs published the first joint report using the methodology ahead of this year's Global Infrastructure Forum, including figures for private mobilization for infrastructure investments. The MDBs will continue to jointly report annually on the metrics as a way to measure progress in mobilizing private capital for infrastructure. G20 leaders endorsed a [Joint Declaration of MDB Aspirations](#) in their final communique at the Hangzhou summit in September 2016.

- laDB, CAF and ECLAC launched the [INFRALATAM platform](#) in 2016 with economic infrastructure investment data from Latin American and the Caribbean.

1.2 Define "infrastructure gap"—actual infrastructure spending versus spending required to meet development goals, meet standards on asset quality and service, , and foster disclosure and

<p>1.4 Clarify role of private operators in the delivery of infrastructure services and the mobilization of long-term finance from investors, both domestic and international</p>	<ul style="list-style-type: none"> <li>- The World Bank upgraded the <a href="#">Private Participation in Infrastructure Database</a> to improve the methodology and track new variables such as detailed financing information to assist in understanding capital flows for PPI.</li> <li>- GI Hub developed the <a href="#">Global Infrastructure Project Pipeline</a> in response to a request from the G20. The Pipeline is a database of future infrastructure projects which allows governments (national or sub national) to present their projects to private sector parties internationally.</li> </ul>
<p><b>2. Promoting compatible, efficient approaches, building consensus on PPP standards for policies and projects</b></p>	
<p>2.1 Promote global PPP capacity standards</p>	<ul style="list-style-type: none"> <li>- ADB, EBRD, IADB/MIF, IsDB, and WBG/PPIAF launched the <a href="#">PPP Certification Program</a> in June 2016, partly funded by PPIAF, to establish common professional standards for PPP practitioners through certification.</li> <li>- ADB, EBRD, IADB/MIF, IsDB, OECD, and WBG/PPIAF updated the <a href="#">PPP Reference Guide</a> and published it in April 2017.</li> <li>- AfDB, ADB, BNDES, CAF, DBSA, EBRD, EIB, IADB/MIF, IsDB, and WBG/PPP, together with OECD and UN organizations such as UNECE and ESCAP, will continue to expand reach and content on knowledge platforms such as <a href="#">the PPP Knowledge Lab</a> and the <a href="#">Public-Private Partnership in Infrastructure Resource Center (PPPIRC)</a>.</li> <li>- The EIB and the EU enlarged the geographic scope of the <a href="#">JASPERS facility</a> to assist project promoters to prepare projects, delivering technical assistance.</li> </ul>
<p>2.2 Support the planning and development of PPPs in infrastructure in the context of</p>	



prioritize and prepare bankable pipelines of infrastructure projects

- enhancement to reduce project risk and make more projects financeable for private sector investors.
- [The Arab Financing Facility for Infrastructure](#) has been fostering infrastructure investment, especially in supportign project preparation. As of the end of 2016, it had two ongoing and two closed projects.
- IADB has created [Infrafund](#) to support project preparation, financial structuring, and capacity building in its countries of operation. The IADB Board allocated more than \$80 million of its ordinary capital for project preparation support since Infrafund's inception.
- [The Brazilian Private Sector Participation \(PSP\) Facility](#) is one of the flagship initiatives supported by the IADB, IFC and the Brazilian Development Bank (BNDES). The facility aims to enhance private sector participation in infrastructure projects in Brazil. With a total capital of \$12 million, the facility helps to structure projects from technical and economic feasibility studies to financial closing. Since its creation in 2007, this facility has supported 10 infrastructure projects leveraging more than \$6 billion in private investment.
- EBRD's [Infrastructure Project Preparation Facility \(IPPF\)](#) became operational in October 2015. It launched 16 projects in 2016 under the Sustainable Infrastructure Window, and two PPPs under its PPP Window. IPPF plans on supporting approximately 15 additional projects in 2017.
- ADB's [Asia-Pacific Project Preparation Facility](#) was launched in January 2016. The Facility approved seven applications during the first year of its operation. Three of these involve PPP capacity building activities and four support

	<p>infrastructure in Europe.</p> <ul style="list-style-type: none"> <li>- EBRD delivered a series of regional policy seminars with associated policy guidelines publications in 2016: <ol style="list-style-type: none"> <li>1) Private Sector Participation (PSP) in Water (Romania) in September</li> <li>2) PSP in District Heating (Bosnia Herzegovina, Kyrgyzstan; Moldova, Kazakhstan, Romania) in October</li> <li>3) Automated Fare Collection in Urban Transport (Ukraine, Hungary, Serbia, Georgia, and Romania) in November</li> <li>4) Electronic Tolling (Kazakhstan, Bosnia Herzegovina, and Belarus) in November</li> </ol> </li> <li>- AfDB laid out targets for raising private sector finance for the energy sector in its New Deal on Energy for Africa</li> </ul>
<p>4.2 Promote cooperation between new and existing MDBs, with a particular focus on opening up co-financing opportunities</p>	<ul style="list-style-type: none"> <li>- WB and AIIB signed <a href="#">co-financing framework agreement</a> in April 2016. The two institutions are currently discussing nearly one dozen co-financed projects in sectors that include transport, water and energy in Central Asia, South Asia and East Asia.</li> <li>- WB and NDB signed <a href="#">MOU</a> in September, 2016: Two institutions agreed to strengthen cooperation.</li> <li>- IADB and AIIB are currently considering the signing of a cooperation MoU to pave the way for the co-financing of projects in common Asian member countries</li> <li>- EBRD and AIIB signed <a href="#">MOU</a> in</li> </ul>

agreed by the IFIs in October 2013. The Working Group is expected to complete its work by October 2017, and the results will be shared widely.

- A working group consisting of MDB and IFI focal points has been convened to bring operational lessons and

<p>4.7 Develop new tools to leverage MDB balance sheets and bring in new private sector capital, including from the insurance market and institutional investors</p>	<ul style="list-style-type: none"> <li>- IFC is developing, and investing in, a new mobilization platform (see 4.3) to mobilize third-party capital for emerging markets.</li> <li>- IIC is promoting capital market issuances to bring new sources of private sector investments to the infrastructure and energy industries through its guarantee and B-bond products.</li> <li>- ADB is combining its equity and lending operations with the <a href="#">Ordinary Capital Resources (OCR)</a> balance sheet to almost triple OCR to about \$53 billion. It will also raise annual financing commitments by up to 40 percent and annual financing commitments to poor countries by up to 70 percent.</li> <li>- The AfDB is developing a Co-Guarantee Platform for Renewable Energy Projects in Africa to pool MDB's guarantee capacity, serve as one-stop shop to lower transaction costs for renewable projects, and assist in the development of renewable energy projects by catalyzing additional private sector and institutional capital.</li> </ul>
<p>4.8 Further strengthen domestic financial systems in client countries to support sustainable infrastructure financing</p>	<ul style="list-style-type: none"> <li>- The World Bank Group provides a broad suite of products designed to attract co-investments into riskier markets. A <a href="#">guidance note</a> has been published that provides a summary of the various guarantees provided by the World Bank, IDA, IFC, and MIGA.</li> <li>- The IFC launched IFC Maharaja Bond, Rupee Bond Program for \$2.5 billion equivalent in 2014 with proceeds invested in the country's infrastructure development. The bonds are listed on the National Stock Exchange of India and are aimed to attract foreign and domestic institutional investors.</li> <li>- IIC will use guarantees for bond issues in local capital markets to enhance private financing in energy and infrastructure projects.</li> <li>- The EIB and the EU provide the Loan Guarantee Instrument for <a href="#">Trans-European Transport Network Projects</a> to overcome the high levels of revenue risk in the early stages of PPP transport projects.</li> <li>- The AfDB continues its local currency bond issuance program, having issued local currency bonds in Botswana, Kenya, Tanzania, Ghana and Nigeria to date</li> </ul>



### ***Improving data and information on infrastructure***

MDBs and development partners will endeavor to help client countries to achieve:

- x better planning and prioritization of infrastructure, including improved provision of data, unit costs, and information on infrastructure, where feasible;
- x more informed decisions by the public and private sectors around investment, which in the case of the public sector may imply access to support from good advisors;
- x improved accountability in asset maintenance and service delivery;
- x greater levels of disclosure and transparency; and
- x a greater voice for users and the public at large.

To help achieve this, the MDBs and development partners agree to work together with client countries to improve data acquisition and develop systematic reporting where possible, on:

- x MDB lending and advisory support to infrastructure, as well as metrics on catalyzation of private investment;
- x infrastructure spending and investment (both actual and required), asset quality, service standards, and fostering disclosure and transparency;
- x assessments that promote a sound enabling environment to attract increased investment for infrastructure; and
- x private participation in the delivery of infrastructure services and the mobilization of long-term finance from investors, both domestic and international.

### ***Promoting compatible, efficient approaches***

While recognizing differing institutional characteristics, country objectives, needs, legal/regulatory frameworks, including those related to the SDGs and UNFCCC Paris Agreement, and the diversity of priorities and strategies of the mandates of the MDBs, the latter and development partners can reduce transaction costs of building and implementing sustainable infrastructure by continuing the promotion of efficient approaches to key bottlenecks or constraints, by:

- x Promoting capacity development by policy support, and via project preparation and advisory facilities, technical assistance, and capacity building support.
- x Supporting the planning and development of infrastructure in the context of Nationally Determined Contributions to the UNFCCC.
- x Supporting, when appropriate, early stage project preparation through the International Infrastructure Support System.
- x Further developing risk management principles and mechanisms for:
  - o approaches to risk allocations in different sectors and markets and associated contractual clauses; and

- o planning investment under uncertainty, to build more resilient assets, notably taking into account climate change and disaster risks.
- x Further developing tools for assessing:
  - o fiscal implications of public investment versus public-private partnerships (PPPs);
  - o risks of implementation

- x Identify opportunities to support viability gap funding arrangements to help PPP projects meet bankability and affordability criteria;
- x Further increase MDBs' financial capacity through the use of risk sharing instruments such as political risk insurance and reinsurance, partial risk and credit guarantees, issuance of green bonds, and other such instruments to crowd in other investors;
- x Develop new tools to leverage MDB balance sheets and bring in new private sector capital, including from the insurance market and institutional investors; and
- x Further strengthen domestic financial systems in client countries to support sustainable infrastructure financing.

We expect that the Global Infrastructure Forum will be held annually, to review progress. The responsibility for hosting the Forum will rotate among the MDBs. Preparations for the Forum will continue to be carried out in an inclusive manner, in cooperation with the UN system through UN-DESA. The outcomes of the Global Infrastructure Forum will be reported to UN Member States via the Financing for Development Forum.