

Counter

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Challenging
Public
Investment
Banks

Xavier Sol – Counter Balance – November 2019

How Infrastructure is shaping the world

The new wave of mega-corridors

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The New Global Infrastructure Agenda

- Infrastructure projects have to be mega-sized
- Infrastructure needs to be turned into an asset class
- An *ad hoc* financial environment has to be built in order to manage and trade the new financial assets
- A new wave of public-private partnerships (PPPs) and privatisation

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Huge financial implications

- The topic of infrastructure is on top of political agendas at international level
- Public finance is needed for the agenda to develop: key role for development banks
- Risk for public money to end up guaranteeing the profits of private investors from revenue streams associated with user fees paid by citizens.
- Infrastructure finance also represents a massive threat to future debt sustainability.

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Challenges around infrastructure mega-corridors

- The “global infrastructure agenda” seeks to make infrastructure “**mega-corridors**” materialise.
- Plans that are now on the drawing board are on a scale as yet unimagined
- The gigantic scale of infrastructure proposed will profoundly transform and redesign entire territories, regions and economies, and consequently the life of billions of people.
- Dominant narrative: an “infrastructure gap” is to be filled by scaling up investments “from Billions to Trillions”.
- Little attention paid to potential consequences: human rights impact of infrastructure projects, devastating climate impact

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Reclaiming infrastructure – many challenges

- How to criticise an infrastructure-related agenda in countries where basic needs of the population – which could be served by well-tailored infrastructure and public services – are not met?
- How to challenge the growing involvement of the private and financial sector, when in many countries the public sector has itself failed to deliver on basic infrastructure?
- Still, a great diversity of local communities and social movements will inevitably face the challenges raised by this agenda in the coming years and decades.
- What is at stake here is for citizens, communities and social movements to reclaim infrastructure and essential services.

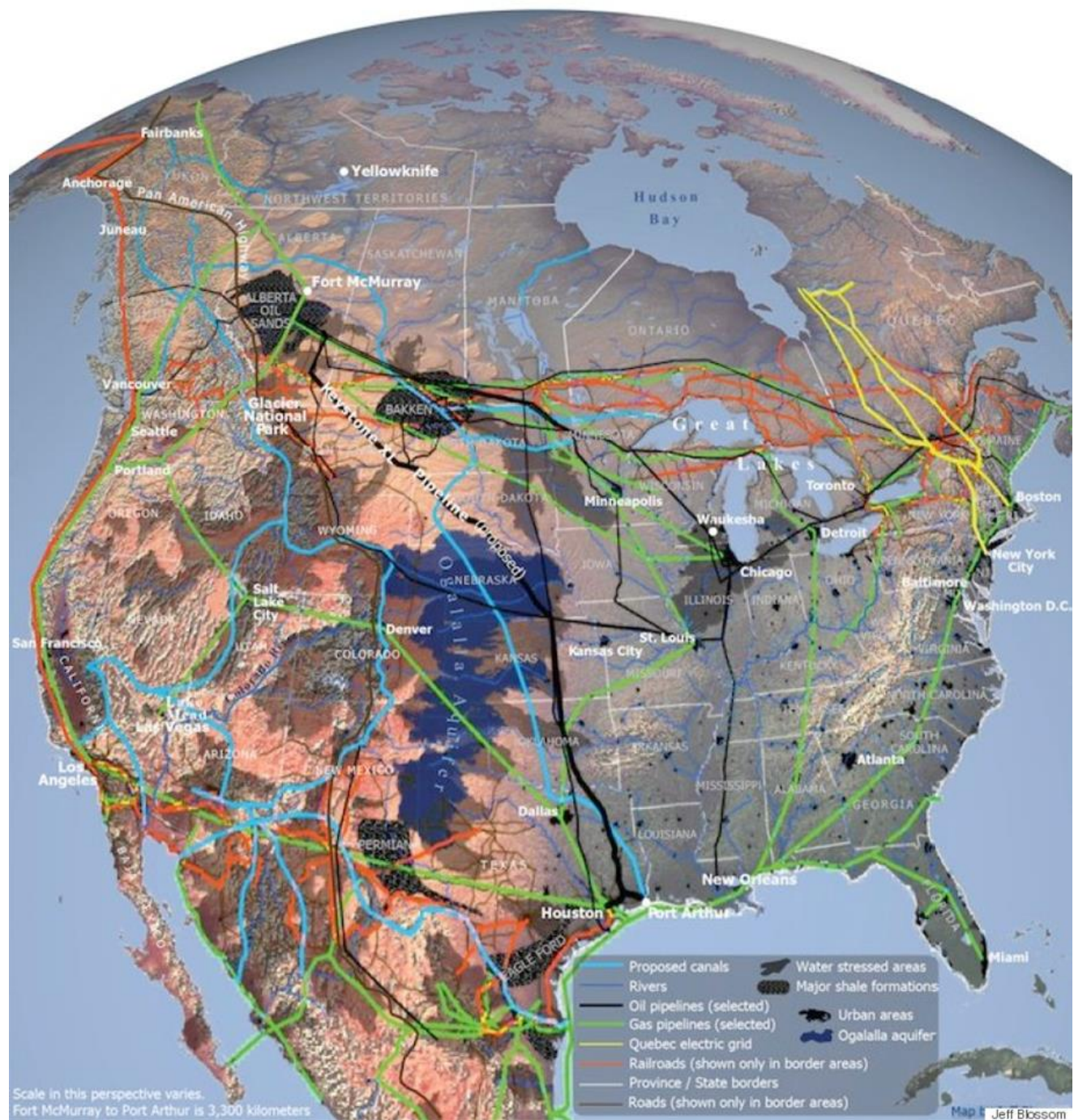




- Canals
 - Rivers
 - Gas pipelines
 - Oil pipelines
 - Electricity
 - Railways
 - Country borders
 - Highways
 - ↔ Maritime transport corridors
 - Urban areas
 - Water-stressed areas
- 0 Kilometers 1,000

Map by Jeff Blossom

Jeff Blossom



Scale in this perspective varies.
 Fort McMurray to Port Arthur is 3,300 kilometers



**Trans-European Transport Network
Progress on Priority Axes
May 2010**

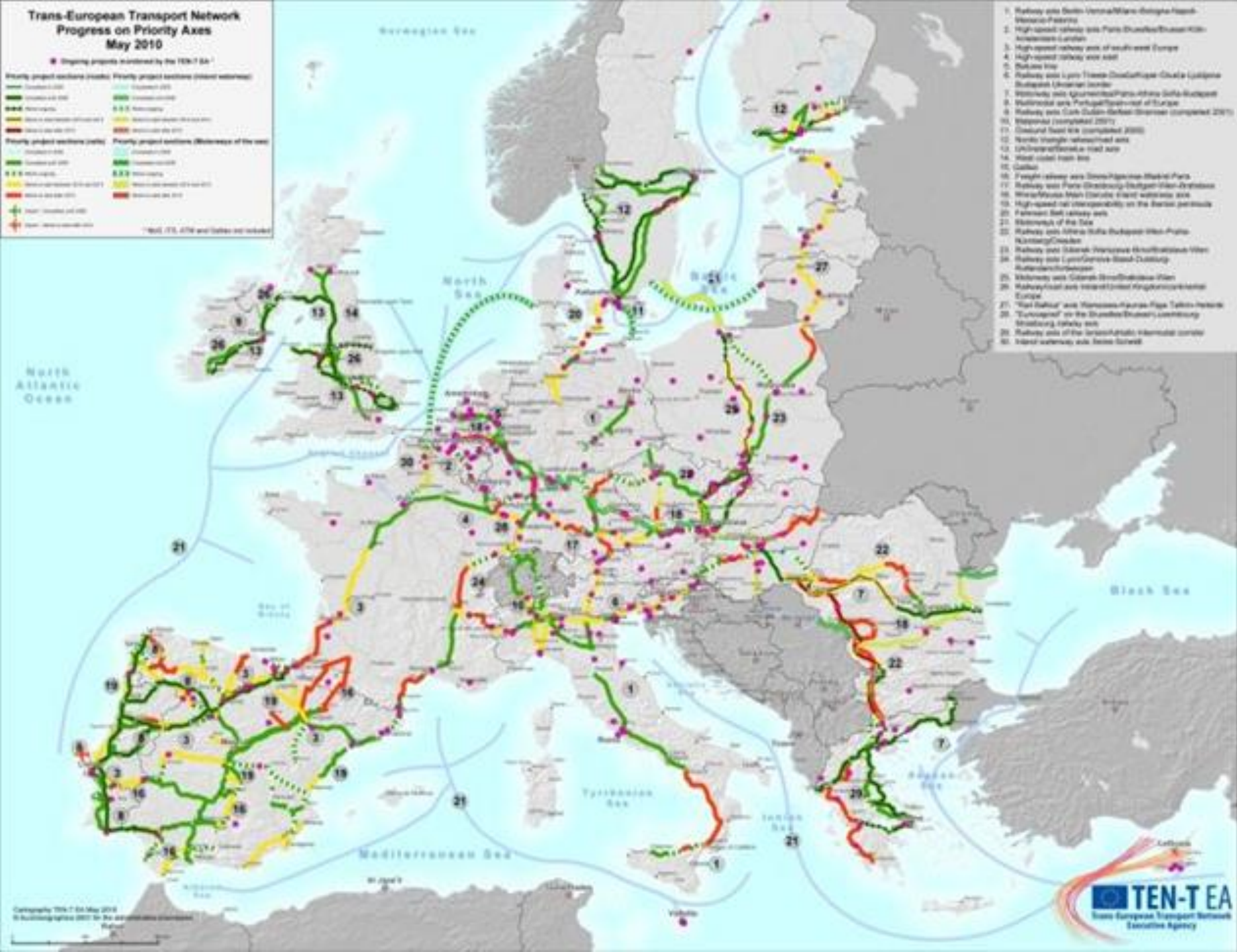
Staging projects included by the TEN-T G4¹

Priority project sections (roads)	Priority project sections (road waterways)
<ul style="list-style-type: none"> 1. Road network 2. Road network 3. Road network 4. Road network 5. Road network 6. Road network 7. Road network 8. Road network 9. Road network 10. Road network 11. Road network 12. Road network 13. Road network 14. Road network 15. Road network 16. Road network 17. Road network 18. Road network 19. Road network 20. Road network 21. Road network 22. Road network 23. Road network 24. Road network 25. Road network 26. Road network 27. Road network 28. Road network 29. Road network 30. Road network 	<ul style="list-style-type: none"> 1. Road network 2. Road network 3. Road network 4. Road network 5. Road network 6. Road network 7. Road network 8. Road network 9. Road network 10. Road network 11. Road network 12. Road network 13. Road network 14. Road network 15. Road network 16. Road network 17. Road network 18. Road network 19. Road network 20. Road network 21. Road network 22. Road network 23. Road network 24. Road network 25. Road network 26. Road network 27. Road network 28. Road network 29. Road network 30. Road network

Priority project sections (airports)

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Notes: *Road, ITS, ATIS and Galileo not included



1. Railway axis Berlin-Vienna/Munich-Belgrade (Balkan Corridor)
2. High-speed railway axis Paris-Brussels/Brussels-Amsterdam-London
3. High-speed railway axis of south-west Europe
4. High-speed railway axis east
5. Rail axis Iran
6. Railway axis Lyon-Torun/Thessalonika-Corinth/Ljubljana-Budapest/Belgrade/Brno
7. Motorway axis Agouion/Patras-Irera/Galati-Budapest
8. Motorway axis Portugal/Spanish coast of Portugal
9. Railway axis Cork-Dublin-Belfast/Birmingham (completed 2011)
10. Helsinki (completed 2011)
11. Coastal Road 66 (completed 2010)
12. Nordic triangle waterway axis
13. UNICORP/Finland's road axis
14. Motorway from Oslo
15. Galati
16. Freight railway axis Genova/Agenora/Madrid/Paris
17. Railway axis Paris-Strasbourg/Budapest-Vienna-Zagreb
18. Motorway from Madrid (Madrid - Madrid waterway axis)
19. High-speed rail interoperability on the Berlin perimeter
20. Warsaw-Berlin railway axis
21. Motorway of the Tota
22. Railway axis Athens/Sofia/Budapest/Vienna/Prague/Kyiv/Berlin
23. Railway axis Istanbul/Varna/Burgas/Black Sea/Varna
24. Railway axis Lyon/Genoa/Madrid/Dublin/Budapest/Berlin
25. Motorway axis Galati/Brno/Bratislava/Vienna
26. Railway/road axis Warsaw/Prague/Kyiv/Berlin/Amsterdam/Cologne
27. "New Galati" axis Varna/Sofia/Prague/Vienna/Berlin
28. "Turquoise" or the Danube/Drava/Leitha/Elbe/Strasbourg railway axis
29. Railway axis of the Trans-European International Corridor
30. Motorway axis Berlin-Greifswald





Routes of the China-proposed Belt and Road Initiative



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**Thank you for your
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Any questions?