

# **Affordability and Equity: The Missing Element in the Infrastructure Dialogue**

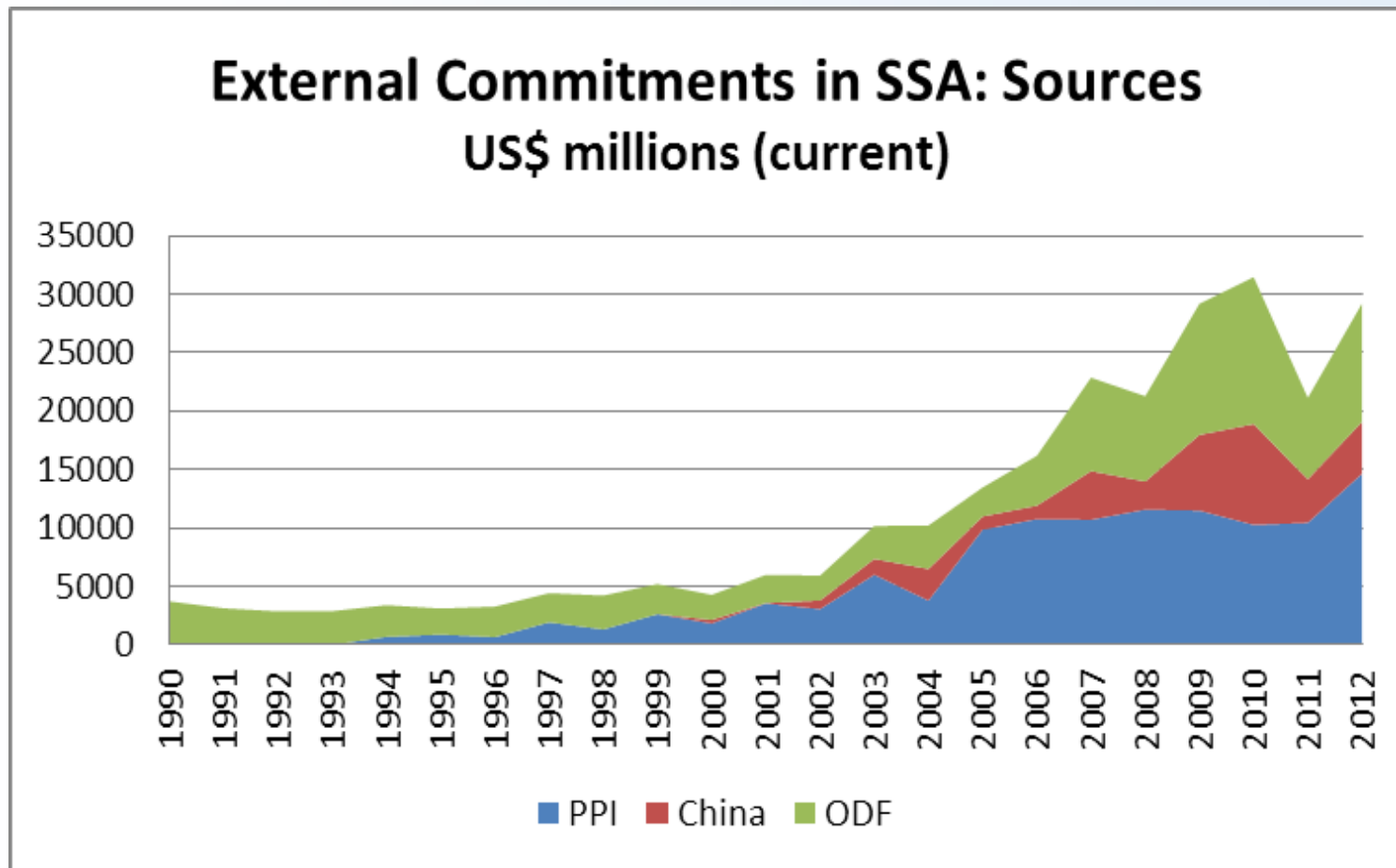
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November 12, 2015

## Introduction

- Despite SDG emphasis on infrastructure including “affordable and equitable access for all” (SDG 9.1), international attention has focused almost exclusively on financing and supply;
- Diagnosing and addressing affordability and equity requires a disaggregated approach that distinguishes between countries and sectors as well as external vs. domestic financing;
- Urban infrastructure and services, and urban transport in particular, represent a key challenge in terms of defining needs, mobilizing financing and determining affordable and equitable solutions (SDG 11.2)

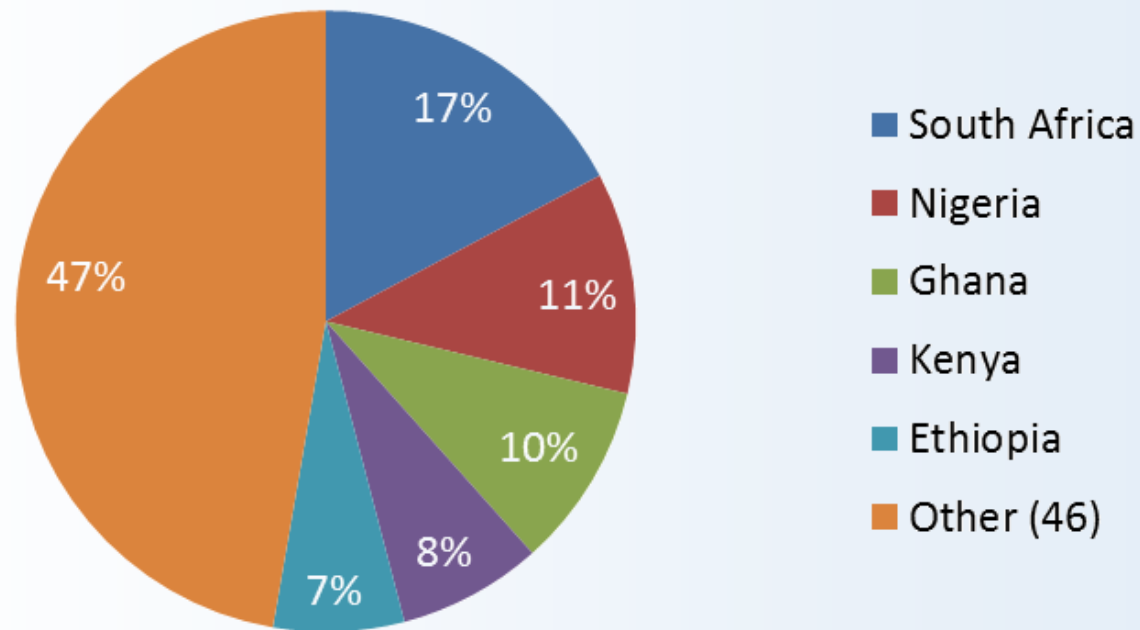
## Overall External Commitments for African Infrastructure



Source: Gutman, Sy, and Chattopadhyay (2015).

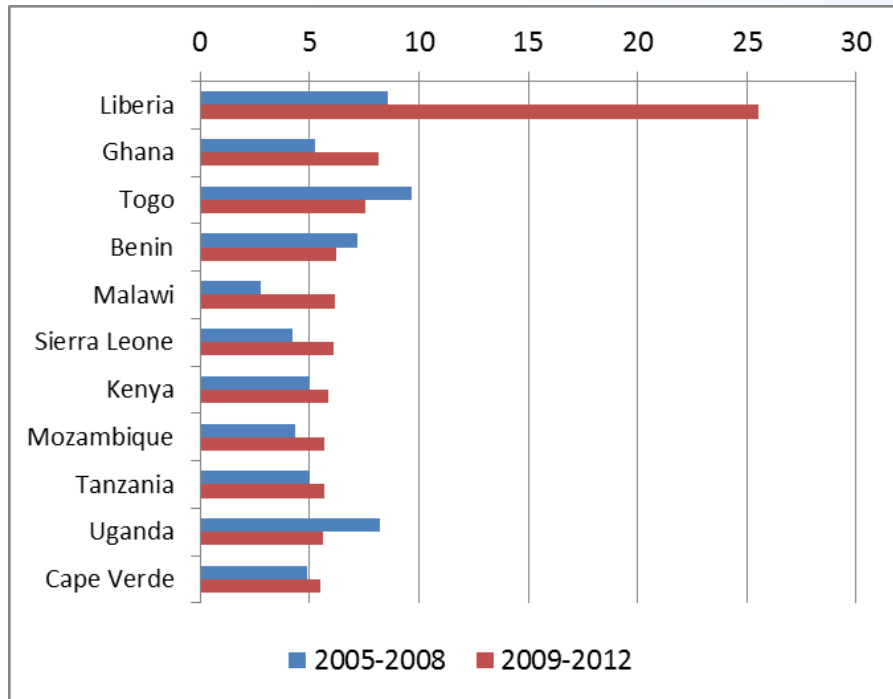
## External Commitments to Africa by Country

### Country Proportions 2009-2012

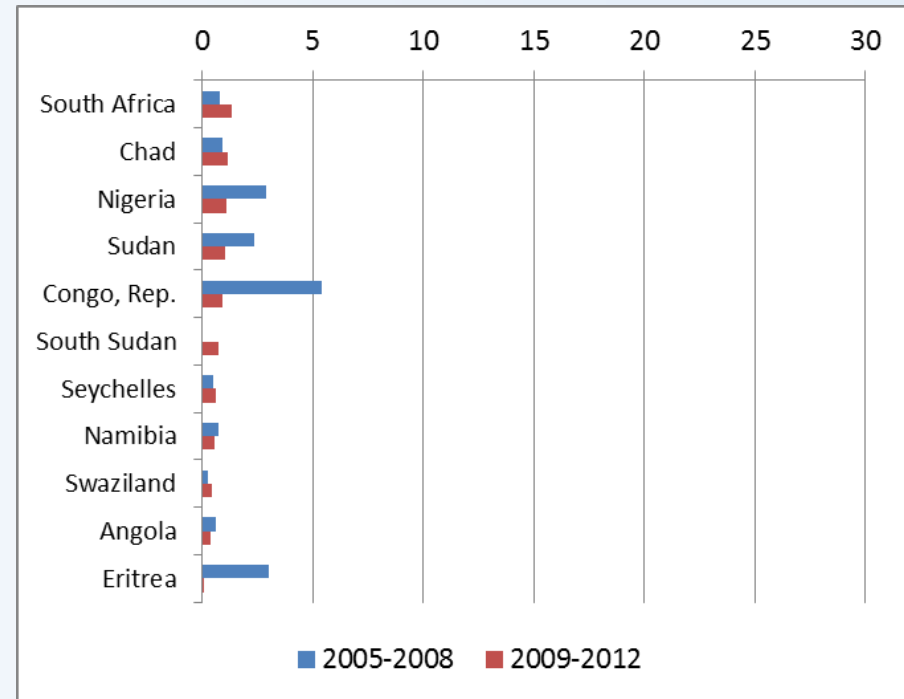


Source: Gutman, Sy, and Chattopadhyay (2015).

# External Commitments to Africa by Country as % of GDP

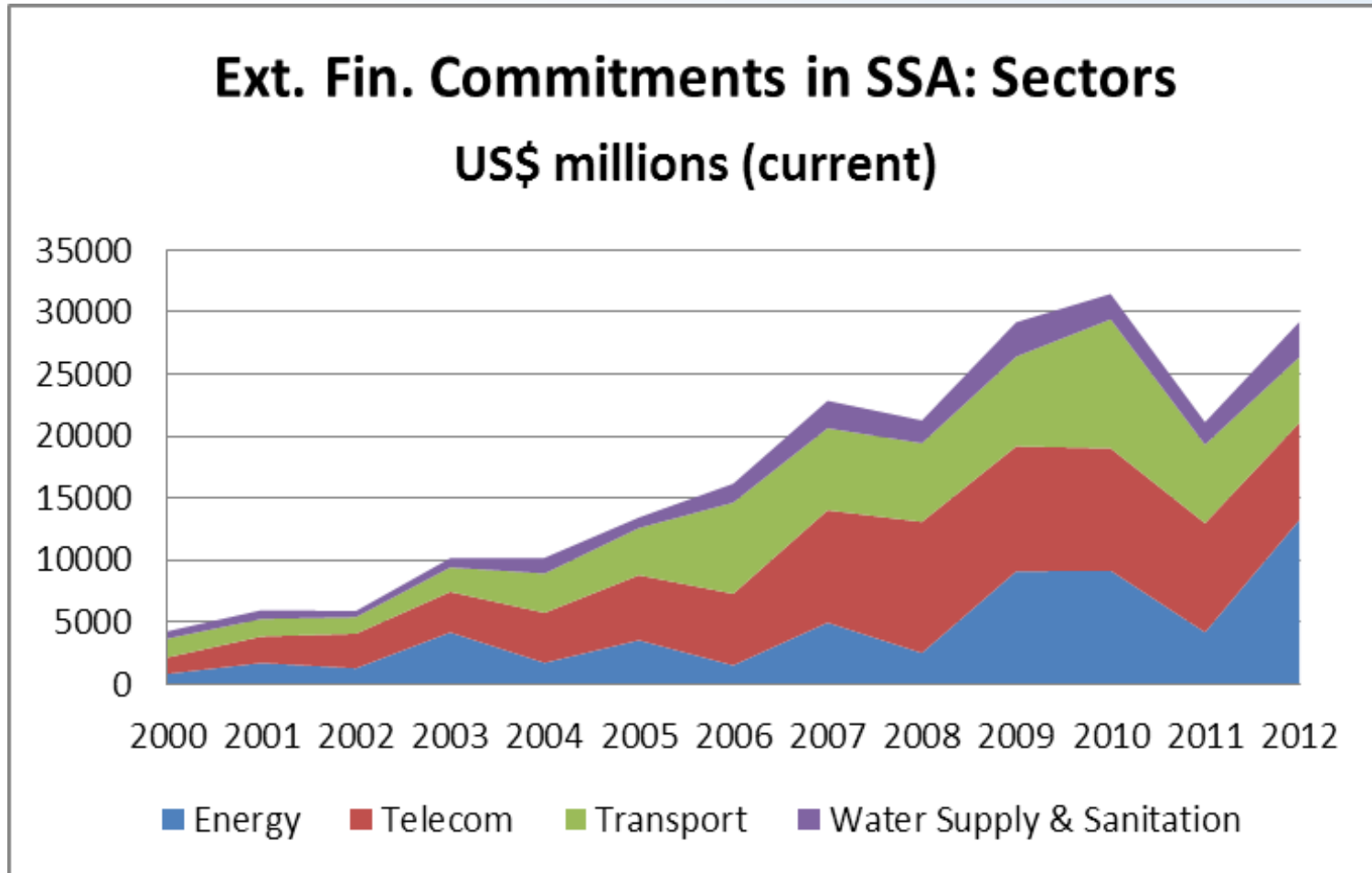


*Top 10 recipients*



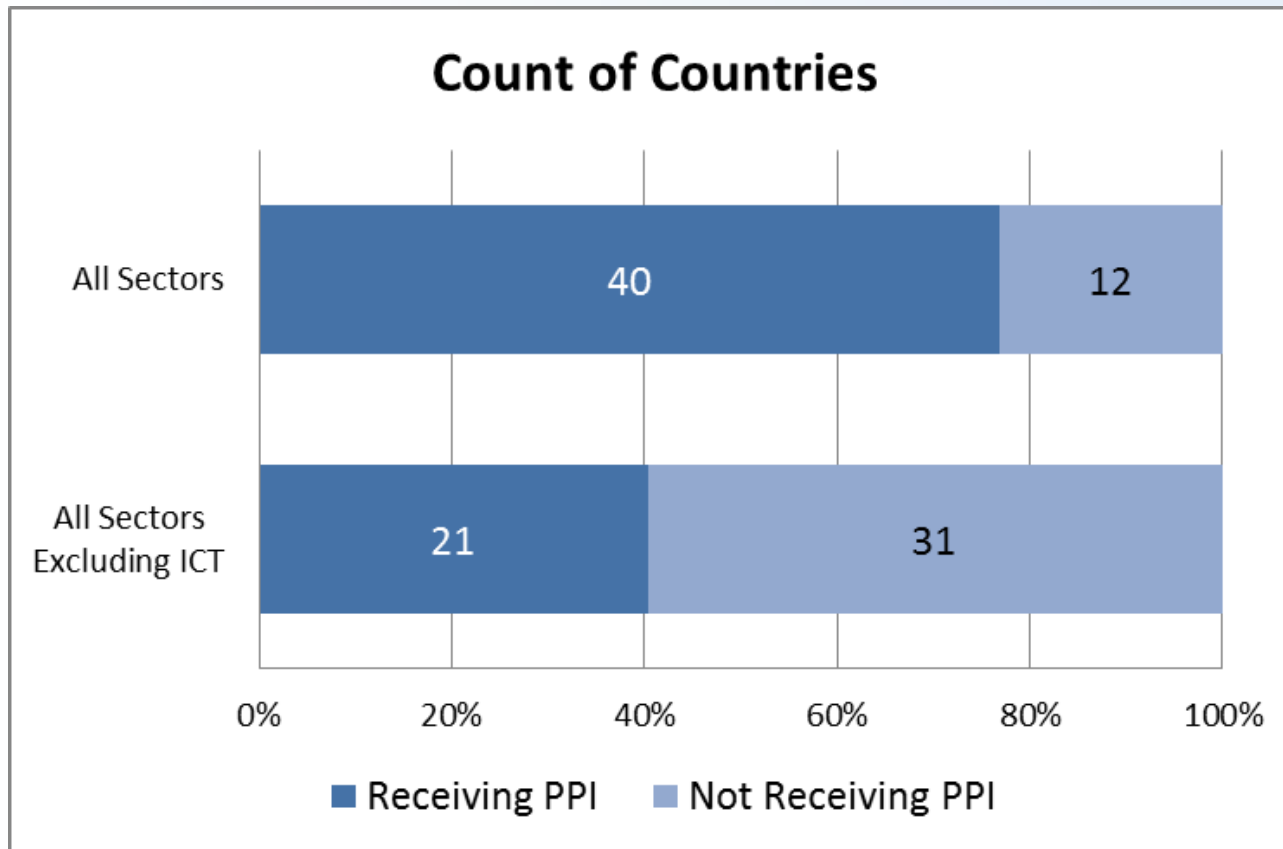
*Bottom 10 recipients*

## Overall External Commitments to Africa by Sector



Source: Gutman, Sy, and Chattopadhyay (2015).

## Private Flows to Africa by Sector



Source: Gutman, Sy, and Chattopadhyay (2015).

## Findings of Brookings African Study

- There seems to be serendipitous rather than strategic complementarity of external financing sources
- Very limited information and attention to the key financing source, domestic financing, and, in particular, subnational domestic financing
- Urban transport as a subsector is an example of the challenges to defining and addressing equity and affordability in terms of users of infrastructure



## Key Elements in Defining Affordability and Equity in Urban Transport

- Need for metrics to define and measure basic access
- Adaptation of conventional economic evaluation methods for urban transport investments
- Alignment of multiple pricing objectives with equity and affordability

## Conclusion

- There is a crucial need to better incorporate social inclusion in the application of sustainable development principles to infrastructure