

4. Socioeconomic

Commitment [#61]:

“[We will implement a range of structural reforms to boost and sustain global demand, foster job creation, contribute to global rebalancing, and increase our growth potential, and where needed undertake:] Investment in infrastructure to address bottlenecks and enhance growth potential.”

Seoul Summit Document

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Argentina			+1
Australia			+1
Brazil			+1
Canada			+1
China			+1
France			+1
Germany			+1
India			+1
Indonesia		0	
Italy			+1
Japan			+1
Korea		0	
Mexico			+1
Russia			+1
Saudi Arabia			+1
South Africa	-1		
Turkey			+1
United Kingdom			+1
United States			+1
European Union			+1
Average Score		+0.80	

Background:

At the G20 Summit in London in April 2009, the G20 leaders first emphasized the importance of sustainable growth and committed to rebalancing the financial and banking systems.²¹⁴ At the Toronto Summit, the G20 leaders made joint commitments, focusing more on sources of growth.²¹⁵ The socioeconomic commitment made at the Seoul Summit is thus a logical development of this series of measures to improve national economies and to minimize the impact of crisis measures.

Commitment Features:

This is a two-part commitment. It calls for the G20 to invest in infrastructure, in order to (1) address bottlenecks and (2) to enhance growth potential. A bottleneck is a phenomenon where the

²¹⁴ Global Plan for Recovery and Reform, G20 Information Centre (London) April 2, 2009. Date of Access: June 6, 2011. <http://www.g20.utoronto.ca/2009/2009communique0402.html#growth>.

²¹⁵ The G20 Toronto Summit Commitments, G20 Information Centre (Toronto) June 27, 2010. Date of Access: June 6, 2011. <http://www.g20.utoronto.ca/analysis/commitments-10-toronto.html>.

performance or capacity of an entire system is limited by a single or limited number of components or resources.²¹⁶

Examples of infrastructure investment from the Policy Commitments by G20 Members made at the Seoul Summit:²¹⁷

Addressing bottlenecks:

1. The Professional Services Law of Spain, aimed at reducing the restrictions hampering the provision of professional services.
2. Reducing bureaucracy and improving regulation in Germany.

Enhancing growth potential:

1. Australian health reform package to improve efficiency and quality of the health care system.
2. Mexican initiatives aimed at increasing the growth potential of the economy, emphasizing measures in labour and product markets, together with higher trade openness and a program to reduce the regulatory burden on the economy.

Scoring Guidelines:

-1	Member does not invest in any infrastructure to address bottlenecks OR enhance growth potential.
0	Member invests in infrastructure that addresses only bottlenecks OR enhances growth potential.
+1	Member invests in infrastructure that addresses both bottlenecks AND enhances growth potential.

Argentina: +1

Argentina has fully complied with its commitment to invest in infrastructure and encourage investment from other sources.

On 21 December 2010, the President of Argentina inaugurated a new highway, Rosario-Córdoba. The road is important as it links the cities of Buenos Aires, Santa Fe and Cordoba, as well as it enhances the transportation infrastructure for the MERCOSUR. The investment exceeded ARS3 billion.²¹⁸

On 11 January 2011, an auction was called to construct the first of the five dams for the new hydro electric power station on the Rio Grande in the province of Mendoza. The dam will have the capacity of 210 MW and will require USD493 million of investment on the part of the national government.²¹⁹

²¹⁶ Economics of a Bottleneck, Journal of Urban Economics 27, (Kingston) January 1990. [Date of Access: June 6, 2011. http://www.sciencedirect.com/science/article/pii/009411909090028L.](#)

²¹⁷ Policy Commitments by G20 Members. G20 Information Centre (Toronto) 27 June 2010. Date of Access: 6 June 2011. [http://www.g20.utoronto.ca/2010/g20seoul-commitments.pdf.](#)

²¹⁸ La Presidenta inauguró la Autopista Rosario-Córdoba, Presidencia de la Nación Argentina (Buenos Aires) 21 December 2010. Date of Access: 7 April 2011. [http://www.argentina.ar/_es/pais/C5946-la-presidenta-inaugura-la-autopista-rosario-cordoba.php](#) .

²¹⁹ Anuncian la construcción de nueva represa hidroeléctrica en Mendoza, Presidencia de la Nación Argentina (Buenos Aires) 11 January 2011. Date of Access: 6 April 2011. [http://www.caserosada.gov.ar/index.php?option=com_content&task=view&id=7986&Itemid=66](#)

On 28 January 2011, a new water purifying plant was launched in the city of El Calafate that will benefit 60,000 people.²²⁰

On 4 February 2011, the Digital TV Transmission Station was inaugurated in the city of Mar del Plata.²²¹

On 4 February 2011, a bid for the construction of the gas pipeline in the North-East of Argentina (Gasoducto Noreste Argentino – NEA) was launched. The project will require an investment of USD24,746 million and will transport gas from Bolivia to Misiones, Corrientes, Formosa and Chaco provinces of Argentina.²²²

On 12 February 2011, Central Water Power Station Yacyretá started to operate at the level of 83 metres over the sea and reached its full capacity of 20,700 GW/year. Yacyretá is a joint project of Argentina and Paraguay on the river Parana that was initiated by signing the Treaty of Yacyretá on 3 December 1973. Yacyretá produces up to 60% of the national hydroelectric power in Argentina.²²³

On 18 February 2011, the President of Argentina initiated the third circular high way “Juan Domingo Perón” around the city of Buenos Aires. The highway will connect the roads of Buen Ayre, Northern Way, Oeste, Riccheri and Buenos-Aires La Plata and will be accessible to 6 million people.²²⁴

On 25 February 2011, Argentina and Uruguay signed a treaty to increase gas provision for both countries of up to 10 million cubic metres a day. The project, which is an investment of ARS70 million, features the set up of a floating regasification plant 12 km off the coast of Uruguay that will be operational in 2013.²²⁵

On 16 March 2011, the Bicentenario Stadium was inaugurated in San Juan. The project was a USD87 million in investment. It involved adjacent infrastructure development: water dam and

²²⁰ Cristina Fernández inauguró una planta potabilizadora de agua en El Calafate, Presidencia de la Nación Argentina (Buenos Aires) 28 January 2011. Date of Access: 8 April 2011.

http://www.casarosada.gov.ar/index.php?option=com_content&task=view&id=8029&Itemid=66

²²¹ La presidenta inauguró obras en Mar del Plata y puso en marcha una nueva planta de transmisión de TV Digital Abierta, Presidencia de la Nación Argentina (Buenos Aires) 4 February 2011. Date of Access: 7 April 2011.

http://www.casarosada.gov.ar/index.php?option=com_content&task=view&id=8047&Itemid=66

²²² La jefa de Estado abrió la licitación para la construcción del Gasoducto Noreste Argentino, Presidencia de la Nación Argentina (Buenos Aires) 4 February 2011. Date of Access: 4 April 2011.

http://www.casarosada.gov.ar/index.php?option=com_content&task=view&id=8045&Itemid=66

²²³ La Presidenta dejó inaugurada en su cota máxima la represa Yacyretá, Presidencia de la Nación Argentina (Buenos Aires) 25 February 2011. Date of Access: 6 April 2011.

http://www.casarosada.gov.ar/index.php?option=com_content&task=view&id=8094&Itemid=66

²²⁴ La Presidenta anunció las obras de la autopista Juan Domingo Perón en Merlo y la compra de netbooks, Presidencia de la Nación Argentina (Buenos Aires) 18 February 2011. Date of Access: 4 April 2011.

http://www.casarosada.gov.ar/index.php?option=com_content&task=view&id=8072&Itemid=66

²²⁵ Argentina y Uruguay firmaron un convenio para la ampliación de la provisión de gas, Presidencia de la Nación Argentina (Buenos Aires) 25 February 2011. Date of Access: 6 April 2011.

http://www.casarosada.gov.ar/index.php?option=com_content&task=view&id=8091&Itemid=66

energy generation, paving of National Road N 150, new housing and public services development in the province with the overall investment of more than USD4,500 million.²²⁶

On 18 March 2011, President Christina Fernandez de Kirchner initiated a project on the construction of a 228-km highway on the National Road N 18. The project will require USD1,997 million of investment.²²⁷

On 6 April 2011, projects on accessible digital TV, sewage-cleaning, new aqueduct system, thermal power plant expansion and new gas pipeline were inaugurated in the province of Cordoba. Digital TV installations will have an impact on potentially more than 1.5 million citizens.

On 29 November 2010, Aerolineas Argentinas joined the Skyteam Alliance, which has enabled the company to expand its operations worldwide and provide airline service to 898 destinations in 169 countries. Aerolineas Argentinas is the first company in the Latin American region to become a member of the Skyteam Alliance conglomerate.²²⁸

On 12 January 2011, a treaty was signed by President Christina Fernandez de Kirchner and the representatives of the International Bank for Reconstruction and Development to finance the construction of the plant for the disposal of urban waste in Mar del Plata. The project involves more than ARS80 million and will be partly funded through a credit granted by the IBRD.²²⁹

On 14 March 2011, the new terminal of cruise ships “Quinquela Martín” in the port of Buenos Aires was inaugurated. The terminal can accommodate two 300 metre cruise ships and up to 4,000 people. The project was financed by the Dubai Ports World. An additional project of USD300 million is targeted at the expansion of the container capacity in the port of Buenos Aires.²³⁰

Argentina has invested in infrastructure that addresses bottlenecks and enhances growth potential and has taken measures to attract investment from other sources. Thus it is awarded a score of +1.

Analyst: Polina Arkhipova

Australia: +1

Australia has fully complied with its commitment to invest in infrastructure that addresses bottlenecks and enhances growth potential.

²²⁶ La jefa de Estado dejó inaugurado el Estadio del Bicentenario de San Juan, Presidencia de la Nación Argentina (Buenos Aires) 16 March 2011. Date of Access: 3 April 2011.

http://www.casarosada.gov.ar/index.php?option=com_content&task=view&id=8137&Itemid=66

²²⁷ La Presidenta dio inicio a las obras de la autovía Paraná – Concordia, en Entre Ríos, Presidencia de la Nación Argentina (Buenos Aires) 18 March 2011. Date of Access: 3 April 2011.

http://www.casarosada.gov.ar/index.php?option=com_content&task=view&id=8142&Itemid=66

²²⁸ Aerolíneas Argentinas ingresó a la Alianza Skyteam, Presidencia de la Nación Argentina (Buenos Aires) 29 November 2010. Date of Access: 5 April 2011.

http://www.casarosada.gov.ar/index.php?option=com_content&task=view&id=7853&Itemid=66

²²⁹ La Presidenta firmó un convenio para realizar obras de saneamiento ambiental en Mar del Plata, Presidencia de la Nación Argentina (Buenos Aires) 11 January 2011. Date of Access: 6 April 2011.

http://www.casarosada.gov.ar/index.php?option=com_content&task=view&id=7989&Itemid=66

²³⁰ Cristina Fernández inauguró la terminal de cruceros más importante de América del Sur, Presidencia de la Nación Argentina (Buenos Aires) 14 March 2011. Date of Access: 3 April 2011.

http://www.casarosada.gov.ar/index.php?option=com_content&task=view&id=8128&Itemid=66

On 15 December 2010, the Minister for Climate Change and Energy Efficiency Combet announced that AUD51 billion would be awarded to schools as Federal Government grants to install solar and other renewable power systems, rainwater tanks and to help implement a range of energy efficiency measures.²³¹

On 7 January 2011, the Government decided to provide AUD135 million in Federal funding to rebuild and modernise the Western Australia's Grain Rail Network, in partnership with the Government of Western Australia. Once completed, the upgraded rail network will lower transport costs for farmers. It will also deliver wider community benefits such as cutting the number of trucks on the State's roads.²³²

On 17 January 2011, three National Broadband Network (NBN) equipment contracts totalling AUD1.6 billion were signed. The NBN is an Australian government initiative launched in May 2010 to deliver high-speed broadband to all Australians. It is the largest infrastructure project undertaken by the Australian government, an investment of up to AUD43 billion over eight years is planned.²³³

In addition, the Government launched two projects of AUD2.6 billion, within the framework Bruce Highway Extension program (Safety Package²³⁴ and Intelligent Transport System),²³⁵ which is a part of the Australian National Highway and the busiest highway in Queensland, Australia.

On 10 May 2011, the Government adopted 2011-2012 budget and committed for AUD36 billion investment in infrastructure.²³⁶ A record AUD4.5 billion over the next year will be spent to renovate and extend the road, rail and aviation infrastructure across Regional Australia.²³⁷

Australia has also tapped into private financing as a supplemental funding source for infrastructure development.

²³¹ More schools go solar with Federal Government grants, Minister for Climate Change and Energy Efficiency (Canberra) 15 December 2010. Date of access: 3 April 2011.

www.climatechange.gov.au/en/minister/greg-combet/2010/media-releases/December/mr20101215a.aspx

²³² Federal Funding To Help Rebuild WA's Grain Rail Network, Minister for Infrastructure and Transport (Canberra) 7 January 2011. Date of access: 2 April 2011.

www.minister.infrastructure.gov.au/aa/releases/2011/January/AA002_2011.htm

²³³ Creating 400 Australian Jobs as We Move to Connect the Nation, Minister for Innovation, Industry, Science and Research (Canberra) 17 January 2011. Date of access: 2 April 2011.

minister.innovation.gov.au/Carr/MediaReleases/Pages/creating400australianjobsaswemovetconnectthenation.aspx

²³⁴ More Federal Dollars on the Way for the Bruce Highway, Minister for Infrastructure and Transport (Canberra) 1 December 2010. Date of access: 27 March 2011.

www.minister.infrastructure.gov.au/aa/releases/2010/December/AA483_2010.htm

²³⁵ Intelligent Transport System to Improve Safety Over the Cardwell Range, Minister for Infrastructure and Transport (Canberra) 16 December 2010. Date of access: 27 March 2011.

www.minister.infrastructure.gov.au/aa/releases/2010/December/AA501_2010.htm

²³⁶ Budget at a Glance, Australian Government 10 May 2011. Date of access: 18 July 2011.

www.budget.gov.au/2011-12/content/at_a_glance/html/at_a_glance.htm

²³⁷ Labor's Regional Nation Building Agenda, Minister for Infrastructure and Transport (Canberra) 10 May 2011. Date of access: 5 July 2011.

www.minister.infrastructure.gov.au/aa/releases/2011/May/AA075_2011.htm

On 23 November 2010, Innovation Minister Senator Kim Carr announced a new Rail Industry Supplier Continuous Improvement Program, under which the businesses that support Australia's rail industry would be given a competitive edge.²³⁸ Enterprise Connect, a consulting wing of Department of Innovation, Industry, Science and Research, will advise the major rail suppliers and 30 small and medium size enterprises on how to streamline their supply chain processes and increase businesses efficiency. Firms can then apply for matched funding of up to AUD20,000 to help implement the recommendations. The program is expected to encourage the companies to deliver better quality products to the rail industry and improve railway services throughout the country.²³⁹

On 24 February 2011, Prime Minister Julia Gillard outlined the Government's plan to cut pollution, tackle climate change and deliver the economic reform that plans to move Australia to a "clean energy future." The two-stage plan for a carbon price mechanism will start with a fixed price period for three to five years (beginning in 1 July 2012) before transitioning to an emissions trading scheme. This regulatory incentive is designed to encourage private investments in 'green' infrastructure.²⁴⁰

Australia has invested in infrastructure that addresses both bottlenecks and enhances growth potential. Thus it is awarded a score of +1.

Analyst: Ekaterina Maslovskaya

Brazil: +1

Brazil has fully complied with its commitment to invest in infrastructure that addresses bottlenecks and enhances growth potential.

Brazil has invested in infrastructure itself and has taken measures to attract investment from other sources.

On 16 February 2011, Brazil developed program "The Growth Acceleration Program (PAC) – Large City Mobility" in accordance with which large cities will get USD10.8 billion public transport investment. The program is aimed at improvement of public transportation infrastructure and purchase of equipment designed to integrate, control and modernize these systems.²⁴¹

On 17 February 2011, Jeffrey Immelt, CEO of General Electric, during the meeting with the President of Brazil Dilma Rousseff, declared plans to invest USD500 billions into the

²³⁸ On the Right Track to Improving the Rail Industry, Minister for Innovation, Industry, Science and Research (Canberra) 23 November 2010. Date of access: 2 April 2011.

²³⁹ New program to improve rolling stock supply chain, Rail Express (Canberra) 23 March 2011. Date of access: 18 April 2011. www.railexpress.com.au/archive/2011/march/march-23rd-2011/top-stories/new-program-to-improve-rolling-stock-supply-chain

²⁴⁰ Climate change framework announced, Minister for Climate Change and Energy Efficiency (Canberra) 24 February 2011. Date of access: 3 April 2011. www.climatechange.gov.au/en/minister/greg-combet/2011/media-releases/February/mr20110224.aspx

²⁴¹ Large Cities to Get US\$ 10.8 Billion Public Transport Investment, Portal Brasil (Rio-de-Janeiro) 18 February 2011. Date of Access: 10 April 2011. <http://www.brasil.gov.br/news/history/2011/02/18/large-cities-to-get-us-10.8-billion-public-transport-investment>.

construction of Research Center in Rio de Janeiro. The center will focus on advanced technologies for the oil and gas, renewable energy, mining, rail and aviation industries.²⁴²

On 6 May 2011, it was announced that infrastructure renovation works for the FIFA World Cup 2014 should receive investments of about BRL47 billion (approximately USD29.4 billion). Investments include modernization of airports, football stadiums, telecommunications, professional qualification, security, urban mobility, energy and health. The Minister of Sport of Brazil Orlando Silva explained that part of the resources would come from public money, but there will also be funds from the private sector.²⁴³ Moreover, on 29 June 2011, the Inter-American Development Bank (IDB) decided to provide USD12 billion for projects in Brazil by 2014. The President of the IDB, Luis Alberto Moreno, said he had held talks with state governments and the city halls in the 12 host cities for the 2014 World Cup with a focus on infrastructure projects, such as airports, city trains and basic sanitation.²⁴⁴

On 31 May 2011, the president of the country's state-owned development bank, BNDES, Luciano Coutinho said that Brazil was to invest BRL3.2 trillion (approximately USD2 trillion), about 23 % of its Gross Domestic Product (GDP) over the next four years. Luciano Coutinho considers this to be an "adequate figure to sustain long-term economic growth without inflationary pressure." This includes investments that are spread out, such as those made by small companies, in construction, industrial and infrastructure projects.²⁴⁵

Brazil has invested in infrastructure to address bottlenecks and enhances growth potential and encouraged investment from other courses. Thus it is awarded a score of +1.

Analyst: Pavel Zhdanov

Canada: +1

Canada has fully complied with its commitment to invest in infrastructure that addresses bottlenecks and enhances growth potential.

During this compliance period the Federal and Quebec Governments provided support to several regions for public transit and major infrastructure projects: CAD101,079,755 million to 67 municipalities in the Greater Outaouais region; with CAD71.1 million to 40 municipalities in the Mauricie Region, and CAD2,648,443 to the city of Saint.^{246,247,248} On 22 November 2010,

²⁴² GE Announce of Investment US\$ 500 Billion into the Building of Research Center in Rio-de-Janeiro, Ministry of Development, Industry and Foreign Trade (Rio-de-Janeiro)17 February 2011. Date of Access: 10 April 2011. <http://www.mdic.gov.br/sitio/interna/noticia.php?area=1¬icia=10434>.

²⁴³ World Cup May Have Indirect Impact of R\$ 185 Billion in the Economy, Portal Brasil 6 May 2011. Date of Access: 15 July 2011. <http://www.brasil.gov.br/news/history/2011/05/06/world-cup-may-have-indirect-impact-of-r-185-billion-in-the-economy>.

²⁴⁴ IDB Provides US\$ 12 Billion for Projects in Brazil, Portal Brasil 29 June 2011. Date of Access: 15 July 2011. <http://www.brasil.gov.br/news/history/2011/06/29/idb-provides-us-12-billion-for-projects-in-brazil>.

²⁴⁵ Brazil to Invest 23% of Its GDP Over Four Years, Portal Brasil 31 May 2011. Date of Access: 15 July 2011. <http://www.brasil.gov.br/news/history/2011/05/31/brazil-to-invest-23-of-its-gdp-over-four-years>.

²⁴⁶ The Federal and Quebec Governments Provide Support to 67 Municipalities of the Greater Outaouais Region for Infrastructure Projects, Infrastructure Canada (Ottawa) 29 November 2010. Date of Access: 28 April 2011. <http://www.infcc.gc.ca/media/news-nouvelles/gtf-fte/2010/20101129gatineau-eng.html>

²⁴⁷ The Federal and Quebec Governments Provided Support to 40 Municipalities of the Mauricie Region for Infrastructure Projects, Infrastructure Canada (Ottawa) 14 December 2010. Date of Access: 28 April 2011. <http://www.infcc.gc.ca/media/news-nouvelles/gtf-fte/2010/20101214troisrivieres-eng.html>

Minister of State for Canada Economic Development Denis Lebel announced that the City of Hudson will receive an additional CAD2,179,744 in joint government financial assistance for wastewater treatment and drinking water supply infrastructure works.²⁴⁹

On 26 November 2010, CAD589,442 were disbursed to the Municipality of L'Isle-Verte in joint government financial assistance to rebuild water supply and combined sewer systems and install a storm sewer system in the western sector of the Municipality.²⁵⁰

On 23 December 2010, four First Nations and four municipalities in Yukon had their Gas Tax Fund (GTF) infrastructure projects approved. The projects, worth over CAD1.6 million, will contribute to the overall GTF goals, including cleaner air and water, and reduced greenhouse gas emissions.²⁵¹

Some measures have been undertaken in Canada to facilitate infrastructure investments from other sources. On 25 February 2011, Minister of Finance and Senator Larry Smith announced that the Government of Canada will contribute up to CAD25 million through the PPP Canada Fund towards eligible costs of a new Maintenance Centre in Montreal, Quebec, for the Agence métropolitaine de transport (AMT). Partnering with the private sector to deliver this project will leverage private sector expertise, allow the transfer of design and construction risks to the private sector, and generate positive value for money compared to traditional procurement, to the benefit of taxpayers.²⁵²

Canada has invested in infrastructure that addresses both bottlenecks and enhances growth potential. Thus it is awarded a score of +1.

Analyst: Vitaly Nagornov

China: +1

China has fully complied with its commitment to invest in infrastructure that addresses bottlenecks and enhances growth potential and attract investment from other sources. China has actively invested in infrastructure.

On 5 March 2011, China announced its goals of building 235 million kilowatts of power generation capacity in clean energy in the next five years. From 2011 to 2015, China plans to launch nuclear energy projects with a combined generation capacity of 40 million kw. In addition to the construction of nuclear power plants in the coastal areas, new plants will be built in central regions, according to the government's draft 12th Five-Year Plan. The country also plans to build

²⁴⁸ The Federal and Quebec Governments Provide Support to the City of Saint-Colomban for Infrastructure Projects, Infrastructure Canada (Ottawa) 16 December 2010. Date of Access: 28 April 2011. <http://www.infc.gc.ca/media/news-nouvelles/gtf-fte/2010/20101216saintcolomban-eng.html>

²⁴⁹ Additional investment of \$2,179,744 in Hudson for wastewater treatment, Canada Economic Development for Quebec Regions (Ottawa) 22 November 2010. Date of Access: 28 April 2011. <http://www.dec-ced.gc.ca/eng/media-room/news-releases/2010/11/2769.html>

²⁵⁰ Additional investment of \$589,442 in L'Isle-Verte for refurbishment of water and sewer systems, Canada Economic Development for Quebec Regions (Ottawa) 26 November 2010. Date of Access: 28 April 2011. <http://www.dec-ced.gc.ca/eng/media-room/news-releases/2010/11/2771.html>

²⁵¹ New Gas Tax Fund Projects Focused on Energy Efficiency, Waste Management and Indoor Air Quality, Infrastructure Canada (Ottawa) 23 December 2010. Date of Access: 28 April 2011. <http://www.infc.gc.ca/media/news-nouvelles/gtf-fte/2010/20101223whitehorse-eng.html>

²⁵² Governments of Canada and Quebec Join in Public-Private Partnership to Enhance Commuter Services and Create Jobs, PPP Canada (Ottawa) 25 February 2011. Date of Access: 28 April 2011. http://p3canada.ca/_files/file/NR_Lachine%20Maintenance%20Centre_EN_FINAL.pdf

hydropower stations along major rivers such as the Jinsha River, Yalong River and Dadu River with an installed capacity of 120 million kw. At least 70 million kw of wind power capacity and 5 million kw of solar power capacity will be created in the next five years, according to the draft plan. Moreover, China will construct oil and gas pipelines of about 150,000 kilometers in the next five years. The pipelines include a gas pipeline to central Asia and oil pipelines to Kazakhstan and Myanmar.²⁵³

On 4 January 2011, Chinese Railways Minister Liu Zhijun said at a conference that the Beijing-Shanghai High-Speed Railway will be put into operation by the middle of June this year.²⁵⁴

On 23 March 2011, a spokesman for the Ministry of Transport said that China will double its investment in waterway construction to CNY200 billion (USD30.5 billion) over the next five years to increase the nation's river transport capacity. He said the central government will fund CNY45 billion (USD6.86 billion), more than one fifth of the total investment, while the rest will be raised by local governments or through social financing channels.²⁵⁵

China has also taken measures to attract investment from other sources.

On 24 February 2011, Chairman of China Development Bank Chen Yuan announced that the total number of government-subsidized housing for the Comfortable Housing Project will reach 45 million with an investment planned to total CNY6.75 trillion in the 12th Five Year Plan period.²⁵⁶

On 5 March 2011, the draft of China's 12th Five-Year Plan (2011-2015) was submitted to the National People's Congress. Key targets of the draft include, inter alia: expenditure on research and development to account for 2.2% GDP; construction and renovation of 36 million apartments for low-income families.²⁵⁷

On 23 March 2011, the Chinese Ministry of Finance (MOF) said that it has allocated subsidies worth CNY10 billion (USD1.52 billion) to help farmers renovate their dilapidated houses this year. Each eligible rural household will receive a subsidy of CNY6,000 from the central government, MOF said. Furthermore, poor rural families living near land border areas, and rural model households that meet building energy efficiency requirements in the northeast, northwest and northern regions, as well as Tibet Autonomous Region, will receive an extra allowance of CNY2,000 per household from the central government.²⁵⁸

²⁵³ China announces ambitious clean energy plans for next five, Chinese Online Information Service (Beijing) 5 March 2011. Date of Access: 7 March 2011. <http://chinatibet.people.com.cn/96057/7310149.html>

²⁵⁴ High-speed rail linking Beijing, Shanghai to open in June, Government of China (Beijing) 4 January 2011. Date of Access: 4 January 2011. http://english.gov.cn/2011-01/04/content_1778142.htm

²⁵⁵ China to spend 200 bln yuan overhauling waterways in next 5 years, Government of China (Beijing) 23 March 2011. Date of Access: 23 March 2011. http://english.gov.cn/2011-03/23/content_1830343.htm

²⁵⁶ People's Livelihood Needs Financial Support, China Development Bank (Beijing) 24 February 2011. Date of Access: 24 February 2011. <http://www.cdb.com.cn/english/NewsInfo.asp?NewsId=3574>

²⁵⁷ Key targets of China's 12th five-year plan, Government of China (Beijing) 5 March 2011. Date of Access: 5 March 2011. http://english.gov.cn/2011-03/05/content_1816822.htm

²⁵⁸ MOF funds renovation of unsafe rural homes, Chinese Online Information Service 23 March 2011. Date of Access: 25 March 2011. <http://chinatibet.people.com.cn/96056/7330743.html>

China has invested in infrastructure itself and attracted investment from other sources. Thus it is awarded a score of +1.

Analyst: Svetlana Nikitina

France: +1

France has fully complied with its commitment to invest in infrastructure that addresses bottlenecks and enhances growth potential.

On 9 December 2010, Secretary of State for Housing and President of the Social Economy Union for Access to Ownership signed a new agreement that will strengthen the program “Living Better” in the fight against Fuel Poverty.²⁵⁹

On 13 December 2010, Secretary of State for Transports and President of the French National Railway Corporation (SNCF) signed the Convention “Trains Balance of the Territory”. State agrees to pay an annual compensation of EUR210 million over three years for the 40 railway lines (Coral, Intercity, Teoz and Luneau). This measure balances the exploitation of these lines. The agreement provides for investing EUR300 million in the modernization of the railway rolling stock.²⁶⁰

On 26 January 2011, Minister for Ecology, Sustainable Development, Transport and Housing of France announced the commitment of the state to invest over EUR1 billion to upgrade public transport in Ile-de-France.²⁶¹

On 26 January 2011, the contract of postal coverage for 2011-2013 was signed by the ministers in charge of planning, economy and industry, the president of the Association des Maires de France and La Poste. The equalization fund has an estimated amount of EUR170 million per year.²⁶²

On 16 February 2011, France announced plans for “Digital City” and “Intelligent Transportation Systems” development. These projects are part of the government’s commitment to provide new digital services supported by a EUR2.25 billion “Digital Economy” investment program.²⁶³

On 3 March 2011, Réseau Ferré de France (RFF) and SNCF presented an investment plan of EUR40 million over 18 months to enhance the security of the national railway network.²⁶⁴

France has undertaken measures to facilitate infrastructure investments from other sources.

²⁵⁹ Signature d’une convention pour renforcer la lutte contre la précarité énergétique. Date of Access: 28 April 2011.

http://www.developpement-durable.gouv.fr/Signature-d-une-convention-pour_19821.html

²⁶⁰ L’Etat et la SNCF s’engagent pour moderniser 40 liaisons ferroviaires. Date of Access: 28 April 2011.

<http://www.developpement-durable.gouv.fr/L-Etat-et-la-SNCF-s-engagent-pour.html>

²⁶¹ Plus d’un milliard d’euros pour moderniser les transports en commun d’Ile-de-France. Date of Access: 28 April 2011.

<http://www.developpement-durable.gouv.fr/Plus-d-un-milliard-d-euros-pour.html>

²⁶² Contrat De Presence Postale Territoriale 2011 – 2013. Date of Access: 28 April 2011.

http://territoires.gouv.fr/sites/default/files/dossier_de_presse.pdf

²⁶³ France Announced Plans for "Digital City" and "Intelligent Transportation Systems" development. Invest in France Agency 16 February 2011. Date of Access: 28 April 2011.

<http://www.invest-in-france.org/us/news/france-is-investing-in-its-future.html>

²⁶⁴ Plan de sécurisation des voies ferrées pour prévenir des vols de câbles. Date of Access: 28 April 2011.

<http://www.developpement-durable.gouv.fr/Plan-de-securisation-des-voies.html>

On 18 January 2011, Under the Investment for the Future a Project, call “mobility” was launched. Its goal is to bring innovative projects for the development of tomorrow’s mobility, particularly commuting and transporting goods.²⁶⁵

On 3 February 2011, on the occasion of the visit of Minister of Industry, Energy and the Digital Economy Eric Besson, France Telecom announced plans to equip approximately 10 million homes with fiber optic cable. EUR2 billion is the sum that the operator plans to invest to support the installation of fiber optics.²⁶⁶

On 25 March 2011, the Ministry of Industry and Energy together with the Department of Sustainability and Syntec Engineering launched the 4th Grand National Prize for Engineering 2011 contest.²⁶⁷

On 28 March 2011, President of France chaired the Strategic Attractiveness Council (SAC). Council assessed the impact of reforms to improve competitiveness and stimulate innovation including investments in infrastructure.²⁶⁸

France has invested in infrastructure that addresses both bottlenecks and enhances growth potential. Thus it is awarded a score of +1.

Analyst: Vitaly Nagornov

Germany: +1

Germany has fully complied with its commitment to invest in infrastructure that addresses bottlenecks and enhances growth potential.

On 22 November 2010, Germany adopted the Freight, Transport and Logistics Action Plan. The Action Plan establishes new transport policy priorities. The plan states that the Federal Ministry of Transport, Building and Urban Development increases the transport budget estimate for 2011 to USD115 million. Involving 30 measures, the Action Plan is intended to provide guidance and to ensure that infrastructure and transport receive enough funding.²⁶⁹

²⁶⁵ Investissement d’avenir : lancement de l’appel à manifestations d’intérêt «mobilité». Date of Access: 28 April 2011. <http://www.developpement-durable.gouv.fr/Investissement-d-avenir-lancement,20406.html>

²⁶⁶ Fibre optique : raccorder 2 millions de foyers d’ici à la fin 2011. Date of Access: 28 April 2011. <http://www.gouvernement.fr/gouvernement/fibre-optique-raccorder-2millions-de-foyers-d-ici-a-la-fin-2011>

²⁶⁷ Grand Prix National de l’Ingenierie 2011. Date of Access: 28 April 2011. <http://www.industrie.gouv.fr/agora/manif/gp-ingen-2011.php>

²⁶⁸ Le conseil stratégique de l’attractivité a mesuré l’impact des réformes menées pour renforcer la compétitivité, stimuler l’innovation et alléger les contraintes administratives. Date of Access: 28 April 2011. <http://www.invest-in-france.org/Medias/Publications/1372/dossier-presse-conseil-strategique-attractivite-2011-afii-fr-en.pdf>

²⁶⁹Transport Minister presents the Freight Transport and Logistics Action Plan, Federal Ministry of Transport, Building and Urban Development of Germany 22 November 2010. Date of Access: 10 April 2011. http://www.bmvbs.de/SharedDocs/EN/Pressemitteilung/2010/362-transport-minister-presents-freight-transport.html?linkToOverview=EN%2FPress%2FPressReleases%2Fpress-releases_node.html%3F

On 28 February 2011, a tunnel was opened as part of the construction of a bypass in German federal land Baden-Württemberg. The state invests USD230 million into the project. The infrastructure project is planned to be completed by 2013.²⁷⁰

On 11 March 2011, the construction of an important road project in German federal land Saxony-Anhalt was launched. USD331 million is invested by the state in the project. Construction works are planned to be completed in 3.5 years.²⁷¹

On 16 March 2011, the Federal Cabinet adopted the key figures for the 2012 federal budget. The funds for rail- and waterways and roads will reach more than USD14.4 billion each year in spite of budget consolidation measures. Additional USD1.4 billion are provided for continue railway projects over 2012 to 2015.²⁷²

On 22 March 2011, the construction of an important road project connecting the Eastern and Western parts of Germany was completed. The project is part of the National Plan “German Unity.” Germany invested USD2.2 billion in the project.²⁷³

On 22 November 2010, Germany adopted the the Freight, Transport and Logistics Action Plan. One of the key measures proposed by the plan is stimulating Public Private Partnerships in transport and infrastructure. The plan sets objectives for constructing high priority federal autobahns in the form of Public Private Partnerships.²⁷⁴

On 14 February 2011, the German Federal Minister of Transport, Building and Urban Development Peter Ramsauer presented the Project Plan for Road Transport Telematics in 2015. The paper comprises a total of 138 projects for the installation of traffic management systems, especially on very busy or accident-prone motorway sections. The key objective of the Plan is to tackle traffic congestions. The measures proposed by the Plan include projects for active strategic traffic management, junction control and congestion warning systems. The federal states are to implement the measures by 2015. For this purpose, the Ministry will provide USD432 million.²⁷⁵

²⁷⁰ Scheuer: Ortsumgehung Schwäbisch Gmünd kommt gut voran, Federal Ministry of Transport, Building and Urban Development of Germany 28 February 2011. Date of Access: 10 April 2011. <http://www.bmvbs.de/SharedDocs/DE/Pressemitteilungen/2011/028-scheuer-b29-ou-schw%C3%A4bisch-gm%C3%BCnd.html?view=renderDruckansicht&nn=35788>.

²⁷¹ B 6n wird bis zur A 9 verlängert, Federal Ministry of Transport, Building and Urban Development of Germany 11 March 2011. Date of Access: 10 April 2011. <http://www.bmvbs.de/SharedDocs/DE/Pressemitteilungen/2011/033-muecke-ou-koethen.html>.

²⁷² Eckwerte des Bundeshaushalts 2012 beschlossen, Federal Ministry of Transport, Building and Urban Development of Germany 16 March 2011. Date of Access: 10 April 2011. <http://www.bmvbs.de/SharedDocs/DE/Pressemitteilungen/2011/038-ramsauer-bundeshaushalt-2012.html>.

²⁷³ Vier Teilstücke der A 44 zwischen Kassel und Herleshausen in Bau, Federal Ministry of Transport, Building and Urban Development of Germany 22 March 2011. Date of Access: 10 April 2011. <http://www.bmvbs.de/SharedDocs/DE/Pressemitteilungen/2011/045-bomba-a44-kassel-herleshausen.html>.

²⁷⁴ Aktionsplan Güterverkehr und Logistik – Logistikinitiative für Deutschland, Federal Ministry of Transport, Building and Urban Development of Germany 22 November 2010. Date of Access: 10 April 2011. <http://www.bmvbs.de/cae/servlet/contentblob/61432/publicationFile/34319/aktionsplan-gueterverkehr-logistik.pdf>.

²⁷⁵ New traffic management systems and hard shoulder running on motorways, Federal Ministry of Transport, Building and Urban Development of Germany 14 February 2011. Date of Access: 10 April 2011. http://www.bmvbs.de/SharedDocs/EN/Pressemitteilung/2011/019-minister-ramsauer-anti-congestion-scheme.html?linkToOverview=EN%2Fpress%2FpressReleases%2Fpress-releases_node.html%3Fgtp%3D50278_list%25253D1%23id64280.

On 6 April 2011, the German Cabinet of Ministers adopted National Reform Programme for 2011. The measures contained in the German NRP for 2011 fully implement the European Strategy for Growth and Employment and the Euro Plus Pact. The priority areas include measures designed to boost internal demand through investment into energy and telecommunications infrastructure.²⁷⁶

Germany has invested in infrastructure that addresses both bottlenecks and enhances growth potential. Thus it is awarded a score of +1.

Analyst: Marina Klintsova

India: + 1

India has fully complied with its commitment to invest in infrastructure that addresses bottlenecks and enhances growth potential and takes measures to facilitate infrastructure investment from other sources.

On 28 February 2011, Indian Finance Minister Shri Pranab Mukherjee on United Budget Speech said that infrastructure was critical for development of India and an allocation of over USD48 billion would be made for this sector for 2011-2012, which is 23.3 per cent higher than previous year. This amounts to 48.5 per cent of the Gross Budgetary Support to plan expenditure.²⁷⁷

On 6 March 2011, Minister of Finance of Jammu and Kashmir Abdul Rahim Rather on his Budget Speech enumerated major initiatives for the development of infrastructure in Jammu and Kashmir and proposed to start work on 93 MWs New Gandarbal and 50 MW Lower Kalnai Hydro Electric Powers through J&K State Power Development Corporation during the next financial year.

Finance Minister of Jammu and Kashmir also proposed to black-top and macadamized about 2,000 kilometres length of roads during the next financial year. Finance minister of Jammu and Kashmir said that the number of bridges under execution was 442, out of them, 103 bridges would be completed in the current year and 100 additional bridges were expected to be completed during the next financial year. He also pronounced that investment of USD192 million would be proposed for Roads and Building Sector under the State Plan and additionally, USD202 million were expected to flow in the R&B Sector under the Central Schemes during the next financial year.²⁷⁸

Some measures have also been undertaken to facilitate infrastructure investments from other sources.

On 22 January 2011, in New-Delhi, in a bilateral meeting between Shri Anand Sharma, Indian Minister of Commerce & Industry and Dr. Craig Emerson, Trade Minister of Australia, the

²⁷⁶ Nationales Reformprogramm für Deutschland beschlossen, Federal Government of Germany 6 April 2011. Date of Access: 10 April 2011. <http://www.bundesregierung.de/Content/DE/Artikel/2011/04/2011-04-06-nationales-reformprogramm.html>.

²⁷⁷ Budget Speech by Finance Minister, Union Budget and Economic Survey 28 February 2011. Date of Access: 12 April 2011. <http://indiabudget.nic.in/ub2011-12/bs/bs.pdf>

²⁷⁸ Budget Speech by Finance Minister of Jammu and Kashmir, Government of jammu and Kashmir Finance Department 6 march 2011. Date of Access: 12 April 2011. <http://jakfinance.nic.in/BudgetSpeech2011.pdf>

Minister of Commerce & Industry of India expressed his opinion that there is a need for investments from Australia especially in the infrastructure sector.²⁷⁹

On 28 February 2011, Indian Finance Minister Shri Pranab Mukherjee on United Budget speech stated next measures to facilitate infrastructure investments, he said that the foreign institutional investors limit for investment in corporate bonds, with residual maturity of over five years issued by companies in infrastructure sector, would be raised by an additional limit of USD20 billion taking the limit to USD25 billion to enhance the flow of funds to the infrastructure sector. This will raise the total limit available to the foreign institutional investors for investment in corporate bonds to USD 40 billion.

He also added that since most of the infrastructure companies are organised in the form of SPVs, foreign institutional investors would also be permitted to invest in unlisted bonds with a minimum lock-in period of three years.

Indian Finance Minister said that Government had established India Infrastructure Finance Company Limited (IIFCL) to provide long term financial assistance to infrastructure projects and It was expected to achieve a cumulative disbursement target of USD4,5 billion by 31 March 2011, and USD5,5 billion by 31 March 2012. Mr. Mukherjee also proposed to allow tax free bonds of USD6,7 billion to be issued by various Government undertakings in the year 2011-2012 in order to give a boost to infrastructure development in railways, ports, housing and highways development. Also, during his speech Mr. Mukherjee proposed to create special vehicles in the form of notified infrastructure debt funds; subject interest payment on the borrowings of these funds to a reduced withholding tax rate of 5 per cent instead of the current rate of 20 per cent; exempt the income of the fund from tax to attract foreign funds for financing of infrastructure.²⁸⁰

India has invested in infrastructure that addresses both bottlenecks and enhances growth potential and has been awarded a score of +1

Analyst: Alexey Mironov

Indonesia: 0

Indonesia has fully complied with its commitment to invest in infrastructure that addresses bottlenecks and enhances growth potential.

On 15 March 2011, the representative of the Ministry of Communications announced that the government would build a new port in the region Tanjung Priok to enhance the movement of goods and passengers.²⁸¹

On 1 April 2011, Indonesian Chamber of Commerce and Industry (Kadin) asked the government to revive the defunct Indonesian Development Bank (Bapindo) to support the financing of infrastructure development projects. President of Indonesia, Susilo Bambang Yudhoyono, noted

²⁷⁹ Need For Australian Investments in Infrastructure Sector, Ministry of Commerce and Industry 24 January 2011. Date of Access: 12 April 2011.

http://commerce.nic.in/pressrelease/pressrelease_detail.asp?id=2719

²⁸⁰ Budget Speech by Finance Minister, Union Budget and Economic Survey 28 February 2011. Date of Access: 12 April 2011. <http://indiabudget.nic.in/ub2011-12/bs/bs.pdf>

²⁸¹ Republika OnLine. Breaking News. Ekonomi. Pemerintah akan Bangun Pelabuhan Baru Senilai Rp8.8 T 15 March 2011. Date of Access: 15 March 2011

<http://www.seasite.niu.edu/Indonesian/Percakapan/Indonesia/originals/LiveNewsFS.htm>

that the government was assessing the possibility of reopening Bapindo, alongside other means to finance infrastructure projects.²⁸²

On 4 March 2011 the Islamic Development Bank (IDB) expressed its readiness to provide a Rp405 billion loan to help build a fish port in West Sulawesi province this year. The project will be co-financed by the Indonesian Marine Affairs and Fisheries Ministry.²⁸³

On 11 March 2011 Chairman of the Indonesian Investment Coordination Agency (BKPM) Gita Wirjawan said that the Indonesian Parliament would pass by the third quarter of 2011 a bill regulating foreign ownership of the land and land clearance. It is expected to cut in half the time needed to start infrastructure projects.²⁸⁴

Indonesia has partially invested in infrastructure that addresses both bottlenecks and enhances growth potential. It has taken measures to facilitate infrastructure investments from other sources but no facts of its own infrastructure investments during the compliance period have been registered. Thus it is awarded a score of 0.

Analyst: Elena Martynova

Italy: +1

Italy has fully complied with its commitment to invest in infrastructure that addresses bottlenecks and enhances growth potential.

On 12 November 2010, the Ministry of Economic Development (MED) signed a decree authorizing realization of the 94 km long power line “Trino-Lacchiarella” between Piemonte and Lombardia, an electric infrastructure of strategic importance for Italy.²⁸⁵

On 18 November 2010, the Interministerial Committee for Economic Programming (CIPE) approved the modification of the Fund for Enterprise Investment Support (FRI). According to the resolution EUR785 million are available for supporting the projects on industrial and technological innovations.²⁸⁶

On 15 December 2010, CEO of the UniCredit, Federico Ghizzoni, and Italian Minister of Foreign Affairs, Franco Frattini, presented the project on creation of a logistical platform in the Upper Adriatic for the relaunch of Mediterranean maritime traffic and enhancement of Italian seaports.

²⁸² Kadin wants bank specializing on infrastructure financing, The Jakarta Post 1 April 2011 Date of Access: 5 April 2011 <http://www.thejakartapost.com/news/2011/04/01/kadin-wants-bank-specializing-infrastructure-financing.html>

²⁸³ IDB ready to finance fish port project in w Sulawesi 5 March 2011. Date of Access: 15 March 2011 <http://www.antaraneews.com/en/news/68777/idb-ready-to-finance-fish-port-project-in-w-sulawesi>

²⁸⁴ Foreigners Able To Own Property in Indonesia in 2011 11 March 2011 Date of Access: 5 April 2011 <http://www.consultingbali.com/blog/category/investment/>

²⁸⁵ Energia: procedimento positivo per elettrodotto “Trino-Lacchiarella,” Italian Ministry of Economic Development 12 November 2010. Date of Access: 24 March 2011. http://www.sviluppoeconomico.gov.it/index.php?option=com_content&view=article&id=2015635:energia-procedimento-positivo-per-elettrodotto-trino-lacchiarella

²⁸⁶ MSE: via libera a 785 mln di euro per ricerca industriale, Italian Ministry of Economic Development 18 November 2010. Date of Access: 24 March 2011. Italian Ministry of Economic Development 12 November 2010. http://www.sviluppoeconomico.gov.it/index.php?option=com_content&view=article&id=2015695:m-se-via-libera-a-785-mln-di-euro-per-ricerca-industriale

The public-private partnership will be work on the basis of an agreement between the state and Friuli Venezia Giulia Region to provide the necessary legislative framework for the works.²⁸⁷

On 23 November 2010, the Minister of Economic Development participated in the signing of the agreement for interconnecting power line between the Italian company Terna S.p.A. and the Government of Montenegro. The investments for interconnection, with the total length of 415 km, amount to about EUR760 million. The construction of the power line that will provide Italian electricity system with an estimated cost reduction of EUR225 annually would be started in 2011 and finished at the beginning of 2015. Italy and Montenegro have also considered the collaboration in other fields such as railways, with the connection Belgrado-Bar.²⁸⁸

On 30 November 2010, the Minister of Economic Development, Paolo Romani, together with the Bulgarian Minister of Economy, Energy and Tourism, Traycho Traykov, took part in the signing of the agreement on the project of interconnection of the gas pipelines between Greece and Bulgaria (Igb). The project has also provisions for constructing the link of the gas pipeline Itgi (interconnection Turkey, Greece, Italy).²⁸⁹ The agreement has been concluded in Sofia (Bulgaria) by Italian company Edison, Greek state gas company Depa and Bulgarian Bec.²⁹⁰ On 1 December 2010, Paolo Romani met the Bulgarian Prime Minister, Bojko Borisov, to discuss the collaboration in the main areas with the particular attention to infrastructure, energy, technological innovation and digitalization.²⁹¹ On 7 December 2010, Azerbaijan gave the go-ahead to the accord with Italy, Greece and Turkey on cooperation in the energy sector, especially in terms of support for the Itgi project, a gas pipeline for the transit of Azerbaijani gas to Europe.²⁹²

On 13 January 2010, Italian Minister of Foreign Affairs visited Switzerland in order to discuss bilateral economic relations. The goals of the visit have included, inter alia, confirming Italy's

²⁸⁷ Unicredit and Foreign Ministry launch a new logistics platform for the Adriatic, Italian Ministry of Foreign Affairs 15 December 2010. Date of Access: 5 April 2011.
http://www.esteri.it/MAE/EN/Sala Stampa/ArchivioNotizie/Approfondimenti/2010/12/20101215_Nuova_piattaforma_Adriatico.htm?LANG=EN

²⁸⁸ Italia-Montenegro: partnership con firma accord interconnessione elettrica 23 novembre 2010. Date of Access: 24 March 2011.

http://www.sviluppoeconomico.gov.it/index.php?option=com_content&view=article&id=2015715:italia-montenegro-partnership-con-firma-accordo-interconnessione-elettrica-

²⁸⁹ Energia: sigliato accord a Sofia per bretellagasdotta ITGI, Italian Ministry of Economic Development 30 November 2010. Date of Access: 24 March 2011.

http://www.sviluppoeconomico.gov.it/index.php?option=com_content&view=article&id=2015729:energia-sigliato-accordo-a-sofia-per-bretella-gasdotta-itgi

²⁹⁰ Romani a Sofia: energia e PMI al centro degli incontri, Italian Ministry of Economic Development 30 November 2010. Date of Access: 24 March 2011.

http://www.sviluppoeconomico.gov.it/index.php?option=com_content&view=article&id=2015727

²⁹¹ Italia-Bulgaria: a Sofia vertice Romani-Borisov su cooperazione, Italian Ministry of Economic Development 1 December 2010. Date of Access: 24 March 2011.

http://www.sviluppoeconomico.gov.it/index.php?option=com_content&view=article&id=2014911:italia-bulgaria-a-sofia-vertice-romani-borisov-su-cooperazione

²⁹² Mantica: green light from Azerbaijan on accord with Italy, Greece and Turkey on the ITGI gas pipeline, Italian Ministry of Foreign Affairs 7 December 2010. Date of Access: 5 April 2011.

http://www.esteri.it/MAE/EN/Sala Stampa/ArchivioNotizie/Approfondimenti/2010/12/20101207_Mantica_Gasdotta.htm?LANG=EN

commitment to enhance cooperation between the two countries in strategic sectors such as rail links, energy and defence.²⁹³

On 18 January 2011, Italian and Slovenian Ministers of Infrastructure held a meeting where they discussed the development of the projects related to Corridor Vand, a project of the new rail communication between Trieste and Divaccia.²⁹⁴

On 31 May 2011, the Italian Embassy in Seoul promoted the first mission to Korea by INVITALIA, the national inward investment and business development agency. Its aim was to make the first structured presentation in Korea of Italy as a destination for quality investment and to promote specific opportunities to potential Korean partners. The meeting was focused on several sectors, including transportation and energy.²⁹⁵

Italy has invested in infrastructure that addresses both bottlenecks and enhances growth potential. Thus it is awarded a score of +1.

Analyst: Anna Vekshina

Japan: +1

Japan has fully complied with its commitment to invest in infrastructure that addresses bottlenecks and enhances growth potential.

On 14 December 2010, the Ministry of Internal Affairs and Communications approved a policy concerning the “Path of Light” concept which aims for broadband utilization in every household by approximately 2015, and worked out a timeline for the implementation of the concept.²⁹⁶

On 16 December 2010, the Ministry of Economy, Trade and Industry (METI) launched the ‘Hydrogen Highway Project’, a world’s first expressway service using fuel cell buses. Hydrogen stations will be constructed in Sugunami (Tokyo), Haneda, and Narita and used as hydrogen supply bases for the fuel cell expressway buses and vehicles.²⁹⁷

On 15 January 2011, the METI launched the ‘Hydrogen Town Project’, the second part of the ‘Hydrogen Energy Social Infrastructure Development Demonstration Project’, which aims at creation of a hydrogen society in the future. Through the project, hydrogen will be supplied via

²⁹³ Italy-Switzerland: Frattini in Berne (13 January), Italian Ministry of Foreign Affairs 12 January 2011. Date of Access: 5 April 2011.

http://www.esteri.it/MAE/EN/Sala Stampa/ArchivioNotizie/Approfondimenti/2011/01/20110112_ItaliaSvizzera.htm?LANG=EN

²⁹⁴ Italia-Slovenia: Matteoli incontraministroVlacic, Italian Ministry of Infrastructure and Transport 18 January 2011. Date of Access: 4 April 2011. <http://www.mit.gov.it/mit/site.php?p=cm&o=vd&id=1600>

²⁹⁵ Country System: In South Korea on a quest for investors, Italian Ministry of Foreign Affairs 31 May 2011. Date of Access: 15 July 2011.

http://www.esteri.it/MAE/EN/Sala Stampa/ArchivioNotizie/Approfondimenti/2011/05/20110531_SistemaPaese_CoreaDelSud.htm?LANG=EN

²⁹⁶ Announcement Regarding Timetable for Implementation of “Path of Light” Concept, Ministry of Internal Affairs and Communications 24 December 2010. Date of access: 10 April 2011.

www.soumu.go.jp/main_sosiki/joho_tsusin/eng/Releases/Telecommunications/101224_c.html

²⁹⁷ “Hydrogen Highway Project” to be launched under the “Hydrogen Energy Social Infrastructure Development Demonstration Project,” the Ministry of Economy, Trade and Industry 13 December 2010. Date of access: 5 March 2011. www.meti.go.jp/english/press/data/20101213_01.html

pipelines installed in urban districts and pure-hydrogen-type fuel cells will be operated for a full scale of a community as demonstration.²⁹⁸

On 2 May 2011, the Japanese Diet approved the first part of supplementary reconstruction budget totalling USD48.8 billion for the fiscal year 2011.²⁹⁹ On 16 July 2011, the second extra budget for the year in the amount of JPY2 trillion (USD25.3 billion) was submitted to the Diet and scheduled for review on 22 July 2011. The budgets are aimed to support survivors and finance infrastructure reconstruction in the quake- and tsunami-hit Tohoku region.³⁰⁰

The Japanese Government also plans to formulate an extra budget that will possibly exceed JPY4 trillion to finance infrastructure reconstruction in the quake- and tsunami-hit Tohoku region.³⁰¹ In addition to Government-funded projects, Japan also sought to cooperate with private companies and other countries.

On 13 January 2011, 13 private companies including, inter alia, Toyota, Nissan, and Honda, as well as energy producers, announced in a joint statement their intention to work together in order to expand the introduction of fuel-cell vehicles and develop the hydrogen supply network throughout Japan by 2015, and requested the Government to establish public-private partnership to back their efforts. The METI responded with the pledge to provide all the necessary support.³⁰²

At the Meeting of Information and Communications Cabinet Ministers from Japan and the 10 ASEAN countries held in Kuala Lumpur on 13 January 2011, the parties adopted the “ASEAN-Japan ICT Work Plan 2011,” and the “ASEAN-Japan Collaboration Framework on Information Security.”³⁰³ Japan also expressed interest in active cooperation with ASEAN member states, China and Korea on the information security framework and ICT infrastructure development.³⁰⁴

Japan has invested in infrastructure that addresses both bottlenecks and enhances growth potential. Thus it is awarded a score of +1.

Analyst: Ekaterina Maslovskaya

²⁹⁸ Launch of “Hydrogen Town Project” under the “Hydrogen Energy Social Infrastructure Development Demonstration Project,” the Ministry of Economy, Trade and Industry 13 January 2011. Date of access: 12 March 2011. www.meti.go.jp/english/press/2011/0113_02.html

²⁹⁹ Japan Enacts \$49 Billion Reconstruction Budget, the Journal of Commerce 2 May 2011. Date of access: 18 July 2011. www.joc.com/japan-disaster/japan-enacts-49-billion-reconstruction-budget

³⁰⁰ ¥2 trillion reconstruction budget submitted; July 22 passage seen, the Japan Times 16 July 2011. Date of access: 18 July 2011. search.japantimes.co.jp/cgi-bin/nn20110716a7.html

³⁰¹ Rebuilding budget may top ¥4 trillion: Edano, Japan Times 8 April 2011. Date of access: 10 April 2011. search.japantimes.co.jp/cgi-bin/nn20110408a6.html

³⁰² Joint statement by private companies concerning the introduction of fuel cell vehicles onto the domestic market and the development of hydrogen supply infrastructure, the Ministry of Economy, Trade and Industry 13 January 2011. Date of access: 10 April 2011. www.meti.go.jp/english/press/2011/0113_01.html

³⁰³ Joint Media Statement of the Tenth ASEAN Telecommunications and Information Technology Ministers Meeting (10th TELMIN) and Its Related Meetings with Dialogue Partners, ASEAN 14 January 2011. Date of access: 10 April 2011. www.aseansec.org/25748.htm

³⁰⁴ Japan Interested in Actively Cooperating in ASEAN ICT Masterplan, United Nations Public Administration Network 31 January 2011. Date of access: 10 April 2011. www.unpan.org/PublicAdministrationNews/tabid/115/mctl/ArticleView/ModuleID/1467/articleId/24144/default.aspx

Korea: 0

Korea has partially complied with its commitment to invest in infrastructure that addresses bottlenecks and enhances growth potential.

On 8 December 2010, the Korean government presented a plan to invest KRW49 trillion (USD42.6 billion) in the country's power generation capacity by 2024.³⁰⁵

The Korea Information Technology Report stated that Korean IT spending would increase from USD16.9 billion in 2011 to around USD22.1 billion in 2015.³⁰⁶

On 18 January 2011, the Korean Ministry of Land, Transport and Maritime Affairs announced that Korea would invest KRW185 trillion (USD166 billion) over the next decade to upgrade transportation infrastructure, and to help to enhance the nation's overall logistics efficiency. The investment, which will be made under a revision to the transportation system, will focus on building or expanding roads, railways, airports, seaports and other infrastructure.³⁰⁷

Korea has invested in infrastructure that addresses both bottlenecks and enhances growth potential. Thus it is awarded a score of +1.

Analyst: Svetlana Nikitina

Mexico: +1

Mexico has fully complied with its commitment to invest in infrastructure that addresses bottlenecks and enhances growth potential and facilitate investment in infrastructure from other sources.

On 17 December 2010, Mexican President Felipe Calderón inaugurated the Saltillo General Hospital, the main health facility in the state of Coahuila. The Hospital is equipped with state-of-the-art technology and involves an investment of MXN450 mln.³⁰⁸

On 10 January 2011, José María Morelos y Pavón Children's Hospital and the IMSS-Oportunidades Rural Hospital were inaugurated in the municipality of San José del Rincón. Construction of the hospitals aims primarily at the high-risk zones in the state of Mexico and expands the coverage of primary and secondary health services for the benefit of the population living in marginalized and highly marginalized conditions.³⁰⁹

³⁰⁵ South Korea Infrastructure Report Q2 2011, Online Information Service 8 December 2010. Date of Access: 8 December 2010. <http://www.marketresearch.com/product/display.asp?productid=6134288>
<http://www.companiesandmarkets.com/Market-Report/south-korea-infrastructure-report-q1-2011-465206.asp>

³⁰⁶ South Korea Information Technology Report Q1 2011, Online Information Service 14 March 2011. Date of Access: 14 March 2011. <http://www.pr-inside.com/south-korea-information-technology-report-r2474858.htm>

³⁰⁷ S Korea to invest US\$166bil in Upgrading Transportation System, Online Information Service 18 January 2011. Date of access: 18 January 2011. <http://www.malaysiandigest.com/world/15479-s-korea-to-invest-us166bil-in-upgrading-transportation-system.html>

³⁰⁸ Inauguration of Saltillo General Hospital, Presidencia de la Republica, México 17 December 2010. Date of Access: 3 April 2011. <http://www.presidencia.gob.mx/index.php?DNA=88&page=1&Contenido=62198>

³⁰⁹ Inauguration of Saltillo General Hospital, Presidencia de la Republica, México 10 January 2011. Date of Access: 3 April 2011. <http://www.presidencia.gob.mx/index.php?DNA=88&page=1&Contenido=62488>

On 17 January 2011, Felipe Calderón announced the Electricity Service in the Valle de México Project aimed at replacing the electricity grid in the historic centre and benefiting 30,000 users with MXN700 mln of investment required. President also supervised the progress of the Federal Electricity Commission (CFE)'s operation in the center of the country, which served as the framework for the inauguration of 79 customer service centers, 282 CFEmáticos (payment centers), a Regional Call Center, 11 sub-stations, and 8 transmission lines.³¹⁰

On 3 March 2011, Felipe Calderón reported that four-year investments in the construction and modernization of the highways in the Federal Network reached MXN175 bln with nearly 15,500 km of highway built or modernized, e.g. Apatzingán-Nueva Italia stretch.

On 3 March 2011, the President inaugurated Boulevard Constituyentes de Apatzingán as part of the expansion of the Apatzingán-Nueva Italia Highway, which involves a cost of MXN600 mln and will benefit the municipalities of Apatzingán, Nueva Italia, Gabriel Zamora, Uruapan and Parácuaro among others.³¹¹

On 8 March 2011, Mexican President inaugurated La Caldera Pump Station, one of the largest water works in the east of the city that will benefit the municipalities of Chalco, Valle de Chalco, Ixtapaluca and Valle de Chalco-Solidaridad and prevent floods in the municipalities and Mexico City. The construction required an investment of MXN61 bln.³¹²

On 10 March 2011, Felipe Calderón inaugurated the expansion and modernization of the Caborca-Sonoyta highway, the only road to the northeast of the country. Modernization includes paving, drainage and complementary works aimed at reducing the risk of accidents, eliminating bottlenecks and decreasing travelling times, operating costs and pollutant emission levels.³¹³

On 19 March 2011, the Mexican President signed a decree modifying ban on the Balsas River Basin to make it accessible for human consumption. The modification will benefit the population of 340 municipalities from various Mexican states.³¹⁴

On 22 March 2011, Felipe Calderón visited the works of the Baluarte Bicentenario Bridge, one of the world's largest. The bridge is 1,200 meters long and its construction involves an investment of MXN19,369 mln. On the same day a stretch of the Durango-Mazatlán highway was inaugurated in Durango. The inter-oceanic axis will make Durango a major hub to transport

³¹⁰ Modernization of Electricity Service in Valle de México, Presidencia de la Republica, México 17 January 2011. Date of Access: 2 April 2011.

<http://www.presidencia.gob.mx/index.php?DNA=88&page=1&Contenido=62607>

³¹¹ 175,000 Million Pesos Invested In Highways In 4 Years: Fch, Presidencia de la Republica, México 3 February 2011. Date of Access: 5 April 2011.

<http://www.presidencia.gob.mx/index.php?DNA=88&page=1&Contenido=62998>

³¹² No More Catastrophic Floods, Presidencia de la Republica, México 8 March 2011. Date of Access: 5 April 2011. <http://www.presidencia.gob.mx/index.php?DNA=88&page=1&Contenido=63743>

³¹³ Expansion And Modernization Of Caborca-Sonoyta Highway, Presidencia de la Republica, México 10 March 2011. Date of Access: 9 April 2011.

<http://www.presidencia.gob.mx/index.php?DNA=88&page=1&Contenido=63839>

³¹⁴ Inhabitants Of 340 Municipalities Will Be Able To Use Balsas Water, Presidencia de la Republica, México 19 March 2011. Date of Access: 7 April 2011.

<http://www.presidencia.gob.mx/index.php?DNA=88&page=1&Contenido=64071>

goods from the Asian Pacific and together with the Pan-American axis it will provide links to the center of Mexico, southern US and Canada.³¹⁵

Mexico has also taken measures to facilitate infrastructure investment from other sources.

On 28 January 2011, Felipe Calderón signed the National Tourism Agreement³¹⁶ and announced 2011 as a Year of Tourism in Mexico. The initiative has the objective to promote tourism in the country as an effective means of fight against poverty and infrastructure development.³¹⁷ As part of the strategy for promoting tourism, Mexican President discussed the opportunities with President of the Region of the Americas of the InterContinental Hotels Group (IHG) Jim Abrahamson who announced IHG's intention to invest additional USD500 million in Mexico over the next 3 years, which will translate into 47 hotels with 5,000 rooms.³¹⁸

Mexico has invested in infrastructure to address bottlenecks and enhances growth potential and encourage infrastructure investment from other sources. Thus it is awarded a score of +1.

Analyst: Polina Arkhipova

Russia: +1

Russia has fully complied with its commitment to invest in infrastructure and to take measure aimed at facilitating infrastructure from other sources.

On 22 November 2010, Russian President Dmitry Medvedev announced the creation of the first set of digital TV channels. Thus digital broadcasting will be available to over 20 million people in 16 of the Russian regions in 2011 and to the whole population by 2015.³¹⁹

On 13 December 2010, Russian President signed Federal Law on the Federal Budget for 2011 and the Budget Plan for 2012-2013.³²⁰ More than RUB26 billion are earmarked for the reconstruction of 38 airports, including projects in Sochi, Kazan and on the Kuril Islands, in accordance with this document.³²¹

On 13 January 2011, Russian Prime Minister Vladimir Putin stated a plan for the extension of the railway transport structural reform to 2015. Developing high-speed railway systems will be the priority of the state and RUB350 billion is to be spent for this purpose in 2011.³²²

³¹⁵ Tour Of States Of Durango And Sinaloa, Presidencia de la Republica, México 22 March 2011. Date of Access: 3 April 2011. <http://www.presidencia.gob.mx/index.php?DNA=88&page=1&Contenido=64088>

³¹⁶ National Tourism Agenda, Presidencia de la Republica, México 28 February 2011. Date of Access: 5 April 2011. <http://www.presidencia.gob.mx/index.php?DNA=88&page=1&Contenido=63572>

³¹⁷ 2011, Year Of Tourism In Mexico, Presidencia de la Republica, México 26 January 2011. Date of Access: 7 April 2011. <http://www.presidencia.gob.mx/index.php?DNA=88&page=1&Contenido=62803>

³¹⁸ Inter-Continental Group To Invest \$500 Million USD, Presidencia de la Republica, México 1 February 2011. Date of Access: 5 April 2011. <http://www.presidencia.gob.mx/index.php?DNA=88&page=1&Contenido=62943>

³¹⁹ Meeting on television and radio broadcasting development, Office of the President of Russia (Moscow) 22 November 2010. Date of Access: 29 April 2011. <http://eng.kremlin.ru/news/1352>

³²⁰ Law on the federal budget for 2011 and the 2012-2013 budget plan, Office of the President of Russia (Moscow) 13 December 2010. Date of Access: 29 April 2011. <http://eng.kremlin.ru/news/1470>.

³²¹ Meeting of the Security Council "On State Policies in the Sphere of Aviation," Office of the President of Russia (Moscow) 1 April 2010. Date of Access: 29 April 2011. <http://kremlin.ru/transcripts/10794>.

³²² Prime Minister Vladimir Putin chaired the meeting of the Presidium of the Government of the Russian Federation, Government of Russia (Moscow) 13 January 2011. Date of Access 29 April 2011. <http://government.ru/docs/13850/>.

Sufficient steps to promote infrastructure investment have been taken in Russia. On 24 November 2010, Russian President Dmitry Medvedev charged the Government with developing measures aimed at encouraging investment in renewable energy sources.³²³

On 27 November 2010, the Russian Government issued a regulation³²⁴ aimed at lowering the cost of access to engineering facilities and improving the speed of this process. These new rules are expected to facilitate infrastructure investment.³²⁵

On 27 December 2010, the Russian Technologies State Corporation, OAO INTER RAO UES and General Electric signed a framework agreement on producing high-performance energy equipment.³²⁶

On 21 March 2011, Russian President proposed the establishment of a special fund to attract foreign investments to the Russian economy.³²⁷ On 1 June 2011, Russian Direct Investment Fund was formally established.³²⁸

On 2 April 2011, Russian President Dmitry Medvedev approved a list of instructions on priority measures aimed at improving the investment climate in Russia.³²⁹

Russia has made investment in infrastructure and managed to facilitate infrastructure investment from other sources. Thus it is awarded a score of +1.

Analyst: Andrey Shelepov

Saudi Arabia: +1

Saudi Arabia has fully complied with its commitment to invest in infrastructure that addresses bottlenecks and enhances growth potential and to facilitate infrastructure investment from other sources.

On 10 January, 2011 Prince Sultan bin Abdul Aziz, who is also the minister of defence, officially launched the construction of the new King Abdul Aziz International Airport, which would cost USD7.2 billion.³³⁰

³²³ On Implementation of the Presidential Instruction on Increasing Investment in Enhancing Energy Efficiency, Office of the President of Russia (Moscow) 24 November 2010. Date of Access 29 April 2011. <http://kremlin.ru/assignments/10057>

³²⁴ Regulation No. 940 of 27 November 2010, Government of Russia (Moscow) 27 November 2010. Date of Access: 29 April 2011. <http://government.ru/gov/results/13228/>.

³²⁵ On coming into force of the Regulation of the Government of the Russian Federation, Ministry of Economic Development of Russia (Moscow) 17 December 2010. Date of Access: 29 April 2011. http://www.economy.gov.ru/minec/about/structure/depogstarif/doc20101217_05

³²⁶ In the Presence of Russian Prime Minister V. Putin a Framework Agreement between General Electric, the Russian Technologies State Corporation and INTER RAO UES on Creating Joint Ventures Producing High-Tech Medical and Energy Equipment was Signed, Government of Russia (Moscow) 27 December 2010. Date of Access: 29 April 2011. <http://government.ru/docs/13630/>.

³²⁷ Meeting on Economic Issues, Office of the President of Russia (Moscow) 21 March 2010. Date of Access: 29 April 2011. <http://eng.kremlin.ru/news/1936>.

³²⁸ Founding of RDIF, Russian Direct Investment Fund 2011. Date of Access: 21 July 2011. http://rdif.ru/Eng_History/.

³²⁹ Presidential instructions on priority measures aimed at improving investment climate in Russia, Office of the President of Russia (Moscow) 2 April 2010. Date of Access: 29 April 2011. <http://eng.kremlin.ru/news/1999>

On 1 February, 2011 the Ministry of Hajj invested USD200 thousand towards new technology infrastructure, with aims of providing better services to the rising number of annual pilgrims to the Holy Cities of Makkah and Madinah and other sacred places in Saudi Arabia.³³¹

On 16 February, 2011 the Minister of Transport Dr. Jubarah Eid Al-Suraysiri, who is also Chairman of the Board of Directors of Saudi Railroads Organization, announced that 4 passengers stations at a cost of USD2,5 billion will be constructed for Al-Haramain High Speed Train during two and a half years from the start of its execution.³³²

On 30 March 2011, Al-Balad Al-Amin Company signed agreement with Ernst & Young for the flotation of the 180-km railway network project that covers all parts of the Makkah city. The new railway system with 88 stations is expected to bring about a qualitative change in the city's transport system. Mayor of Makkah City, Osama Al-Bar who is also chairman of the Al-Balad Al-Amin Company board of directors, said that the Makkah Metro project included construction of four railway networks linking all parts of the city and work on the new railway would start within a year.³³³

On 18 April 2011, Sami Mohsen Baroum, chairman of Knowledge Economic City Co. (KEC) signed USD81 million contract with Al-Rajhi Infrastructure Company to carry out the northern part of the economic city project. The work on the project started within a few weeks after signing. The infrastructure projects include construction of roads, setting up of electricity, telecommunication, water and sewage networks and rainwater drainage systems, planting of trees along roads and other smart infrastructure facilities.³³⁴

Some measures have been undertaken to facilitate infrastructure investments from other sources.

On 26 April 2011, Prince Mishaal bin Abdullah, governor of Najran Region and president of the Board of Investment in Najran, implemented a new plan, including strategies to activate investments and infrastructure projects in the region. The new deal to Najran comprises many important strategies, including building an attractive environment for investment, recommending a specific investment strategy, promoting administrative support to ensure sustainable investment and attract investors, and creating a system in consonance with the investment strategy of Najran. It also focuses on rebuilding the infrastructure for future economic growth by developing water and sanitation, solid waste, electricity, telecommunications, information technology, agricultural, tourism, and industrial and military facilities.³³⁵

³³⁰ Construction of 7.2 billion dollar airport to start, the Saudi Arabian Market Information Resource SAMIRAD 12 January 2011. Date of Access: 15 April 2011.

http://www.saudinf.com/display_news.php?id=5781

³³¹ Ministry of Hajj invests SR800,000 into new technology infrastructure, the Saudi Arabian Market Information Resource SAMIRAD 1 February 2011. Date of Access: 15 April 2011.

http://www.saudinf.com/display_news.php?id=5835

³³² Budget allocated for four Stations of Al-Haramain Train, the Saudi Arabian Market Information Resource SAMIRAD 16 February 2011. Date of Access: 15 April 2011.

http://www.saudinf.com/display_news.php?id=5881

³³³ Signing the Agreement for the Flotation of the 180-km Railway Network, Arab News 31 March 2011. Date of Access: 15 April 2011. <http://arabnews.com/saudiArabia/article336744.ece>

³³⁴ Knowledge Economic City steps up infrastructure work, Arab News 20 April 2011. Date of Access: 16 Mat 2011. <http://arabnews.com/economy/article368469.ece>

³³⁵ Najran launches new investment strategy, Arab News 20 April 2011. Date of Access: 15 May 2011. <http://arabnews.com/economy/article372612.ece>

Saudi-Arabia has invested in infrastructure that addresses both bottlenecks and enhances growth potential and has taken measures to attract investment from other sources. Thus it is awarded a score of +1.

Analyst: Alexey Mironov

South Africa: -1

South Africa has not complied with its commitment to invest in infrastructure that addresses bottlenecks and enhances growth potential.

On 29 January 2011, the President of the South Africa Jacob Zuma reported on the progress of NEPAD Heads of State High Level Sub-Committee on Infrastructure to the AU Nepad Heads of State and Government Orientation Committee (HSGOC). He reported that the Sub-Committee sought endorsement by the HSGOC of the infrastructure projects identified and their respective champions and therefore their subsequent consideration and approval by the AU Assembly. In the regard, 7 projects were agreed.³³⁶

On 10 February 2011, at the Joint Sitting of Parliament in his state of the nation address Jacob G Zuma, President of the Republic of South Africa, declared that government would continue to participate in the revitalisation of the New Partnership for Africa's Development with specific focus on the implementation of its infrastructure programme, and the North-South infrastructure development corridor.³³⁷

South Africa has not invested in infrastructure that addresses bottlenecks or enhances growth potential. Thus it is awarded a score of -1.

Analyst: Yuriy Zaytsev

Turkey: +1

Turkey has fully complied with its commitment to invest in infrastructure that addresses bottlenecks and enhances growth potential and has taken measures to facilitate infrastructure investment from other sources.

On April 16 2011 the agreement to finalize the privatization of the Istanbul Ferry Lines (IDO), a subsidiary of the Istanbul Metropolitan Municipality, was signed between the winning consortium and municipality officials, thus closing the USD861 million deal.

“The income from the transaction will be used for new transportation projects in Istanbul,” said Ahmet Selamet, acting Mayor of Istanbul.³³⁸

³³⁶ Report of the NEPAD Heads of State High Level Sub-Committee on Infrastructure to the AU Nepad Heads of State and Government Orientation Committee by President Jacob Zuma, the official web site of the Departement for International Relations and Cooperation of the Republic of the South Africa, 29 January, 2011. Date of access: 28 April 2011. <http://www.dirco.gov.za/docs/speeches/2011/nepad0204.html>

³³⁷ State of the Nation Address By His Excellency Jacob G Zuma, President of the Republic of South Africa, at the Joint Sitting Of Parliament, Cape Town, the Department of International Relations and Cooperation of the Republic of the South Africa, 10 February 2011. Date of access: 28 April, 2011. <http://www.dirco.gov.za/docs/speeches/2011/jzum0210.html>

³³⁸ Star. Istanbul Ferry Services Privatization Complete, Investments Underway, Invest in Turkey 17 April 2011. Date of Access: 28 April 2011. <http://www.invest.gov.tr/EN-US/INFOCENTER/NEWS/Pages/170611-istanbul-ferry-services-privatization-complete.aspx>.

On May 3 2011 Turkish Energy Minister Taner Yildiz and Iranian Energy Minister Majid Namjou finalized and signed energy roadmap at promoting investment and cooperation between the two neighbors. The agreement will have a “promising prospect” for Iran-Turkey energy transactions, boosting the two countries' electricity transmission capacity from “the current 500 MW to 1000 MW,” Namjou said.³³⁹

On May 6 2011 Turkish Minister of Finance Mehmet Simsek stated that the government of Turkey would try to implement “more unique models” for socioeconomic development of one of the poorest region – province of Batman. Noting that the government will establish a “textile campus” on 24.7 acres owned by the Treasury, Simsek said a total of 18 different facilities were to be built there. “We will also develop the infrastructure of the campus. All kinds of support will be provided to facilities,” he said.³⁴⁰

On May 11 2011 Turkey’s Prime Minister Recep Tayyip Erdogan announced an ambitious program on Istanbul transformation. Building a shipping canal parallel to the Bosphorus strait is to be a key project. He also outlined another one: to build two new earthquake resistant urban centers in Istanbul.³⁴¹

On 1 June 2011 Prime Minister Recep Tayyip Erdogan unveiled government’s plans for Diyarbakır, which the prime minister said will boost tourism and employment in the predominantly Kurdish province. The prime minister announced a renovation project for Diyarbakır's Surici. “We will rebuild nearly 500 historic structures, remaining faithful to the original. Historic buildings will be visible. Diyarbakır will have a landscape the world will be eager to see. This project will also being about major urban transformation. Shanty houses in the region will be destroyed and replaced with new houses. No one will be victimized during this process. The Housing Development Administration of Turkey [TOKİ] has already contacted these people. A total of 1,272 more houses will be built,” he said.

The construction of the Silvan Dam is another Erdogan’s project for Diyarbakır. “The Silvan Dam will be used to irrigate an area of 2,450 square kilometers. We will enable our farmers in Diyarbakır to generate an additional annual income of TL735 million. The project will also provide employment to 318,000 people,” he added.³⁴²

Turkey has invested in infrastructure that addresses bottlenecks and enhances growth potential as well as attracted infrastructure investment from other sources. Thus it is awarded a score of +1.

United Kingdom: +1

The UK has fully complied with its commitment to invest in infrastructure that addresses bottlenecks and enhances growth potential and facilitate investment from other sources.

³³⁹ Iran, Turkey Finalize Energy Roadmap, PressTV 4 May 2011. Date of Access: 6 May 2011. <http://www.presstv.ir/detail/178172.html>.

³⁴⁰ Sismek Promises Unique Development Models, Hurriyet Daily News 6 May 2011. Date of Access: 8 May 2011. <http://www.hurriyetdailynews.com/n.php?n=simsek-promises-unique-development-models-2011-05-06>.

³⁴¹ Ayla Albayrak, Another “Crazy Project” for Istanbul, The Wall Street Journal 11 May 2011. Date of Access 15 May 2011. <http://blogs.wsj.com/emergingeuropa/2011/05/11/another-crazy-project-for-istanbul/>.

³⁴² Erdogan Reveals Projects to Boost Employment, Tourism in Diyarbakir, Today’s Zaman 1 June 2011. Date of Access: 10 June 2011. <http://www.todayszaman.com/news-245807-erdogan-reveals-projects-to-boost-employment-tourism-in-diyarbakir.html>.

On 23 March 2011, Chancellor George Osborne delivered the Coalition Government's budget for 2011 and launched the Government's "Plan for Growth."^{343,344} In this plan the Government allocated GBP200 billion of public and private infrastructure investments over the next five years.³⁴⁵ In the Plan for Growth" the Government committed to publish the UK's long-term forward view of infrastructural projects and programmes in autumn 2011 as part of the National Infrastructure Plan 2011 launched earlier in October 2010.³⁴⁶

On 21 December 2010, the UK Government published the report of an investigation into how to reduce the costs of infrastructure projects and on 31 March 2011, published a detailed programme of activity through 2011 and beyond, to effect change and realize the savings.³⁴⁷

Department for Business, Innovation and Skills is also currently reviewing regulations to promote growth of key economic sectors, working with Infrastructure UK – a separate unit within HM Treasury, providing advice on infrastructure issues.³⁴⁸ Department of Energy and Climate Change together with industry develop a national policy on grid infrastructure, including smart grid standards.³⁴⁹

As "Plan for Growth" assumes GBP200 billion of not only public but also private infrastructural investments over the next five years the Plan sets out a package of measures to support private sector investment, enterprise and innovation.³⁵⁰ Particularly, the Government will publish a binding set of principles of economic regulation to infrastructure, make changes to the planning system and publish a rolling two year programme of projects where public sector funding has been agreed to provide greater certainty for long-term investors in UK.³⁵¹

³⁴³ Chancellor Announces Budget for Growth, Prime Minister's Office (London) 23 March 2011. Date of Access: 9 April 2011. <http://www.number10.gov.uk/news/latest-news/2011/03/chancellor-announces-budget-for-growth-62331>

³⁴⁴ Growth Review, HM Treasury 23 March 2011. Date of Access: 9 April 2011. http://www.hm-treasury.gov.uk/ukecon_growth_index.htm

³⁴⁵ The Plan for Growth, HM Treasury (London) March 2011. Date of Access: 9 April 2011. http://cdn.hm-treasury.gov.uk/2011budget_growth.pdf

³⁴⁶ The Plan for Growth, HM Treasury (London) March 2011. Date of Access: 9 April 2011. http://cdn.hm-treasury.gov.uk/2011budget_growth.pdf

³⁴⁷ Infrastructure Cost Review, HM Treasury (London) March 2011. Date of Access: 9 April 2011. http://www.hm-treasury.gov.uk/iuk_cost_review_index.htm

³⁴⁸ Structural Reform Plan Monthly Implementation Update of Department for Business, Innovation and Skills, Prime Minister's Office (London) March 2011. Date of Access: 9 April 2011. <http://www.number10.gov.uk/wp-content/uploads/bis-mar11-srp-update.pdf>

³⁴⁹ Structural Reform Plan Monthly Implementation Update of Department of Energy and Climate Change, Prime Minister's Office (London) March 2011. Date of Access: 9 April 2011. <http://www.number10.gov.uk/wp-content/uploads/decc-mar11-srp-update.pdf>

³⁵⁰ Chancellor Announces Budget for Growth, Prime Minister's Office (London) 23 March 2011. Date of Access: 9 April 2011. <http://www.number10.gov.uk/news/latest-news/2011/03/chancellor-announces-budget-for-growth-62331>

³⁵¹ Structural Reform Plan Monthly Implementation Update of Department for Business, Innovation and Skills, Prime Minister's Office (London) March 2011. Date of Access: 9 April 2011. <http://www.number10.gov.uk/wp-content/uploads/bis-mar11-srp-update.pdf>

The UK also managed to attract the European Investment Bank funds to facilitate infrastructural development in the UK and on 6 May 2011 Simon Brooks, European Investment Bank Vice President, confirmed this commitment.³⁵²

The United Kingdom has invested in infrastructure that addresses both bottlenecks and enhances growth potential and attracted investment from other sources. Thus it is awarded a score of +1.

Analyst: Natalia Churkina

United States: +1

The United States has fully complied with its commitment to invest in infrastructure that addresses bottlenecks and enhances growth potential.

On 15 November 2010, the Commerce Department recommended to reallocate 115 MHz of spectrum for wireless broadband service within the next five years. This corresponds with President Obama's commitment to make available 500 megahertz of Federal and nonfederal spectrum over the next 10 years.³⁵³

On 27 January 2011, U.S. Transportation Secretary Ray LaHood announced a final rulemaking that would help economically and socially disadvantaged businesses participate in federally funded highway, transit and airport projects.³⁵⁴

On 9 February 2011, the Federal Communications Commission (FCC) announced a Broadband Acceleration Initiative aimed at expanding the reach and reducing the costs of broadband deployment. The initiative will reduce regulatory barriers to broadband build-out and bring together key stakeholders.³⁵⁵

On 14 February 2011, U.S. President Barack Obama unveiled his USD3.7 billion budget for 2012. Part of this budget is six-year transportation plan which will enable to implement innovative solutions in transportation. The President proposed to spend USD129 billion in the first year.³⁵⁶ Moreover, the budget provides for creating a USD556 billion infrastructure bank which is a funding mechanism for building roads, bridges, rail lines, etc.³⁵⁷ The bank would not add to the budget deficit since it is aimed at leveraging private-sector funds by offering loans to

³⁵² European Investment Bank Reinforces Engagement to Finance UK Infrastructure, European Union 6 May 2011. Date of access: 18 July 2011.

<http://europa.eu/rapid/pressReleasesAction.do?reference=BEI/11/59&type=HTML>

³⁵³ U.S. Department of Commerce Takes Major Step towards Unleashing the Wireless Broadband Revolution, National Telecommunications and Information Administration 15 November 2011, Date of Access: 8 April 2011. http://www.ntia.doc.gov/press/2010/SpectrumReports_11152010.html.

³⁵⁴ U.S. Transportation Secretary Ray LaHood Expands Program to Help Small Businesses Participate in Transportation Programs, United States Department of Transportation 27 January 2011, Date of Access: 8 April 2011. <http://www.dot.gov/affairs/2011/dot1011.html>.

³⁵⁵ The FCC's Broadband Acceleration Initiative: Reducing Regulatory Barriers to Spur Broadband Buildout, Federal Communications Commission 9 February 2011, Date of Access: 7 April 2011. <http://www.fr.com/FCC-Announces-Broadband-Acceleration/>.

³⁵⁶ U.S. Department of Transportation Budget Invests USD129 Billion in Restoring America's Economic Competitiveness, United States Department of Transportation 14 February 2011, Date of Access: 6 April 2011. <http://www.ttnews.com/articles/basetemplate.aspx?storyid=26117>.

³⁵⁷ Obama's USD3.7 Trillion Budget Sets Fight in Congress (Update3), Bloomberg 14 February 2011, Date of Access: 6 April 2011. <http://www.bloomberg.com/news/2011-02-14/obama-submits-a-3-7-trillion-budget-as-republicans-pledge-to-oppose-plan.html>.

selected projects. However the proposed budget will encounter problems in Congress, where both Democrats and Republicans are against it.

In March 2011 U.S. Transportation Secretary Ray LaHood announced that he is making available USD2.4 billion to states eager to develop high-speed rail corridors across the United States. President Obama's vision is to connect 80% of Americans to high-speed rail within the next 25 years.³⁵⁸

On 9 May 2011, U.S. Transportation Secretary Ray LaHood announced USD2 billion in high-speed rail awards providing an unprecedented investment to speed up trains in the Northeast Corridor and expand service in the Midwest.³⁵⁹

The U.S. has undertaken measures to facilitate infrastructure investment from other sources. On 27 January 2011, at a meeting between Chinese business leaders and the American and Chinese Presidents in Washington CEOs of key Chinese companies said they were considering stepped-up investment in the U.S., particularly into infrastructure.³⁶⁰

The United States has invested in infrastructure that addresses both bottlenecks and enhances growth potential. Thus it is awarded a score of +1.

Analyst: Tatyana Lanshina

European Union: +1

The European Union has fully complied with its commitment to invest in infrastructure that addresses bottlenecks and enhances growth potential.

On 21 February 2011, the European Commission announced its decision to grant EUR170 million to transport infrastructure projects across Europe. The grants will allow EU members build missing transport links, remove bottlenecks and increase the safety and security of transport.³⁶¹

On 1 March 2011, the European Commission launched consultations on the guarantee bonds issued by companies to fund large-scale infrastructure projects, such as transport, energy, Internet and telecommunications networks. The Commission would share the risks of the guarantees with the European Investment Bank (EIB). The bonds would be offered to investors including pension funds and insurance companies by private companies acting as mediators. EU-backed project bonds are to be available in 2014.³⁶²

³⁵⁸ U.S. Transportation Secretary Ray LaHood Makes USD2.4 Billion Available for High-Speed Rail Projects Across America, United States Department of Transportation 11 March 2011, Date of Access: 6 April 2011. <http://www.dot.gov/affairs/2011/dot2911.html>.

³⁵⁹ U.S. Transportation Secretary LaHood Announces \$2 Billion for High-Speed Intercity Rail Projects to Grow Jobs, Boost U.S. Manufacturing and Transform Travel in America, Federal Railroad Administration 9 May 2011, Date of Access: 30 June 2011. http://www.fra.dot.gov/roa/press_releases/fp_DOT_57-11.shtml

³⁶⁰ Chinese Firms Set Sights on U.S. Investments, The Wall Street Journal 27 January 2011, Date of Access: 7 April 2011. <http://online.wsj.com/article/SB10001424052748704062604576105952027426880.html>.

³⁶¹ EU grants €170 million to vital infrastructure projects across Europe, Europa, Gateway to the European Union 21 February 2011, Date of Access: 8 April 2011. <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/11/209&format=HTML&aged=0&language=EN&guiLanguage=en>.

³⁶² Attracting infrastructure investment, European Commission 1 March 2011, Date of Access: 10 April 2011. http://ec.europa.eu/news/economy/110301_1_en.htm.

The European Union has invested in infrastructure that addresses both bottlenecks and enhances growth potential. Thus it is awarded a score of +1.

Analyst: Tatyana Lanshina