Kenya’s reforms trigger stronger private infrastructure market

SYDNEY, AUSTRALIA // 16 May, 2017: Kenya is leading the way for emerging countries in reforms to boost its infrastructure sector, the Global Infrastructure Hub has found.

The GI Hub’s new tool, InfraCompass, shows that Kenya’s constitutional reform and its efforts to reduce corruption have delivered an improvement in the country’s investment environment and global competitiveness.

InfraCompass reveals that while there have been annual variations in transaction value, overall the private sector market in Kenya has been stronger since a new Constitution was established in 2010. Kenya experienced a significant increase in transaction value from $64 million in 2010 to $1.5 billion 2011.

And Kenya improved significantly on the World Bank’s Rule of Law governance indicator, moving from 101 in 2010/11 to 77 in 2014/2015, out of 212 countries.

InfraCompass, launched by the Global Infrastructure Hub today, provides comprehensive data across 49 countries including Kenya, identifying best practices for infrastructure markets, across six categories, Institutions and governance; Regulatory and competition frameworks; Permits, licences and land acquisitions; Plan and select; Procurement; and Delivery and operations.

The new online tool will guide governments across the globe on creating the best conditions for infrastructure delivery.

The website and an accompanying report can be accessed at: Infracompass.gihub.org

Kenya performed well in the category of Institutions and governance.

GI Hub Chief Executive Officer Chris Heathcote says Kenya’s constitutional reforms had led to changes which boosted its infrastructure sector.

“The governance reforms have led to greater private sector confidence, and ultimately that is key to unlocking private investment to fund much needed public infrastructure,” he said.

“And that’s really important for creating liveable communities. This is about people and helping to improve their lives.”

InfraCompass will assist governments and development agencies identify leading infrastructure practices and the reforms that will have the most impact in their market.

“This is a really important compilation of data all in one online resource that will shine a light on best practices, and show governments where they need to improve,” Mr Heathcote said.

“All of these factors contribute to the best possible environment for infrastructure markets.
“InfraCompass is a key part of the GI Hub’s body of work which is aimed at helping to deliver more quality public infrastructure across the globe and creating more liveable communities.”

The leaders, across both developed and emerging countries, for each category were:

**Institutions and governance:**
New Zealand, Germany, Canada, Malaysia, Colombia, and Kenya

**Regulatory and competition frameworks:**
United Kingdom, Ireland, Singapore, Peru, Colombia, and South Africa

**Permits, licenses and land acquisitions:**
Singapore, New Zealand, Korea, Rwanda, Malaysia, and Turkey

**Plan and select:**
United Kingdom, Korea, Canada, South Africa, Mexico, and Kenya

**Procurement:**
Austria, Denmark, Australia, South Africa, Mexico, and Vietnam

**Delivery and operations:**
Spain, Austria, USA, Malaysia, Russia, and Nigeria

The GI Hub, established by the G20, has been in full operation from Sydney for the past 18 months, with the aim of promoting reforms and practices to unlock higher levels of investment in infrastructure. Other GI Hub projects include:

- **Global Infrastructure Outlook**, a new online tool that will be released soon, which shows infrastructure needs now and into the future across 50 countries.
- **Project Pipeline**, a free online platform detailing early-stage information on government infrastructure projects across the globe to help the private sector make decisions on investment and participation: pipeline.gihub.org
- **Allocating Risks in Public-Private Partnerships**, advice for governments and the private sector in conjunction with Norton Rose Fulbright: ppp-risk.gihub.org

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**About Global Infrastructure Hub**
The Global Infrastructure Hub (GI Hub) was launched in 2014 with a G20 mandate to increase the flow and the quality of opportunities for public and private infrastructure investment. We work to facilitate a better supply of quality, bankable government infrastructure projects to the private sector, identifying reforms, planning approaches and risk management strategies that drive public-private partnership and investment into infrastructure. We aim to be a leading reference on infrastructure best practices, providing innovations that enhance the market’s ability to finance, build and secure the best returns from infrastructure projects.

For more information about GI Hub, visit: www.gihub.org