

Infrastructure in Latin America: from the investment gap to spending efficiency

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Where do we stand?

TABLE ES1: Latin America invests the least in infrastructure among developing regions

(public and private infrastructure investments, latest year available)

Region	Percentage of GDP
East Asia and the Pacific	7.7
Central Asia	4.0
Latin America and the Caribbean	2.8
Middle East and North Africa	6.9
South Asia	5.0
Sub-Saharan Africa	1.9

Source: <http://Infralatam.info>; ADB 2017; own estimates.

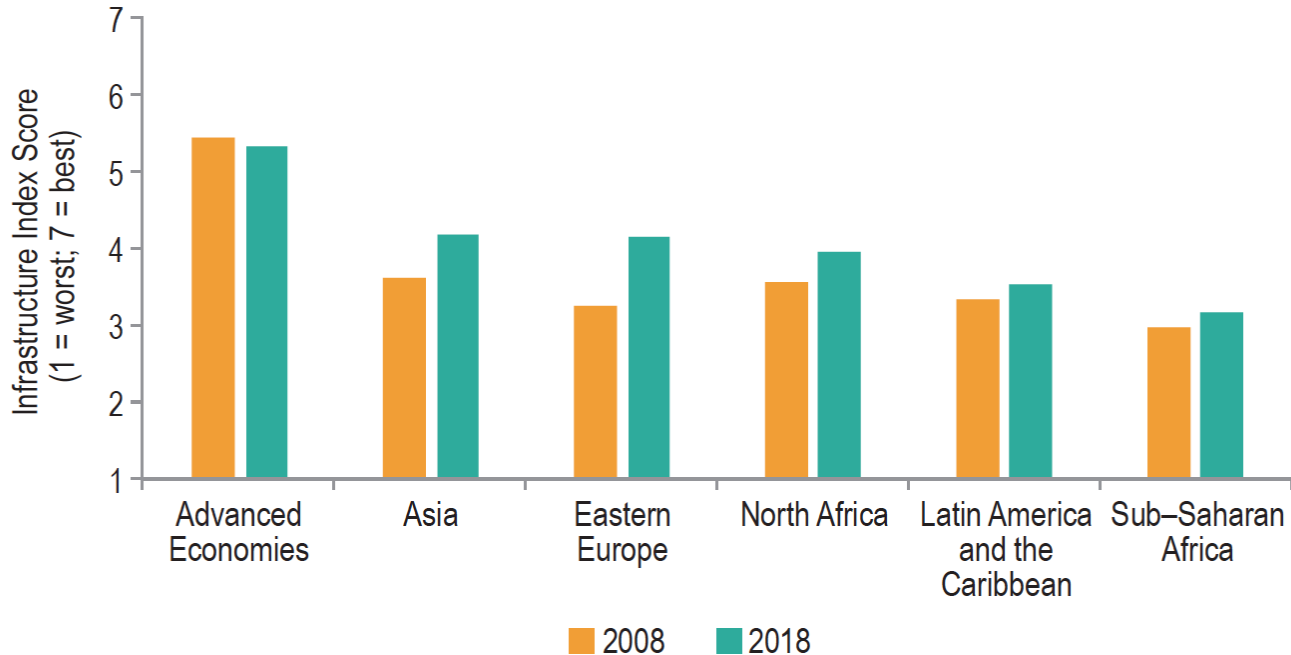
Note: No data was available for Eastern Europe. Applying these shares to 2014 GDP figures suggests Latin America accounts for about \$180 billion out of total developing country infrastructure spending of about \$1.5 trillion.

...however the world is changing, the “era of concrete” has come to an end and the era of services has begun [Graf.1](#) [Graf. 2](#)

Quality of infrastructure

Figure 1.3

Quality of Infrastructure by Region, 2008 and 2018



Evolution of Quality

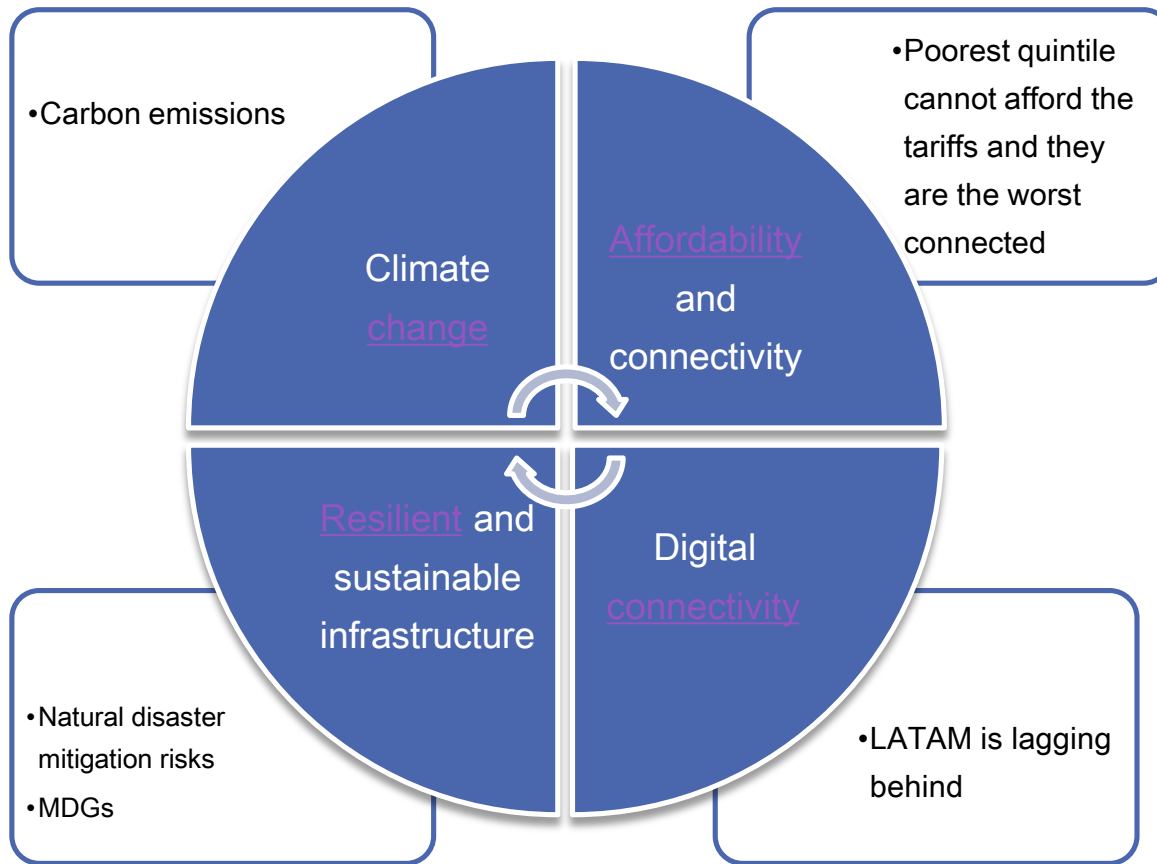


Table 1.2

Evolution of the Quality of Infrastructure Services in Latin America and the Caribbean, by Country, 2008 and 2018

	2008	2018	Percentage Change
Chile	5.01	4.73	-6%
Panama	4.24	4.70	11%
Ecuador	2.75	4.52	64%
Jamaica	3.76	4.17	11%
Mexico	3.45	4.07	18%
Honduras	3.40	3.59	6%
Uruguay	3.67	3.59	-2%
Dominican Republic	3.39	3.55	5%
Nicaragua	2.45	3.51	43%
Guatemala	3.61	3.36	-7%
El Salvador	4.56	3.30	-28%
Argentina	3.10	3.25	5%
Brazil	2.69	3.14	17%
Colombia	2.83	3.11	10%
Costa Rica	2.40	3.09	29%
Peru	2.50	3.09	24%
Bolivia	2.06	3.01	46%
Paraguay	1.87	2.56	37%
Haiti	—	2.02	

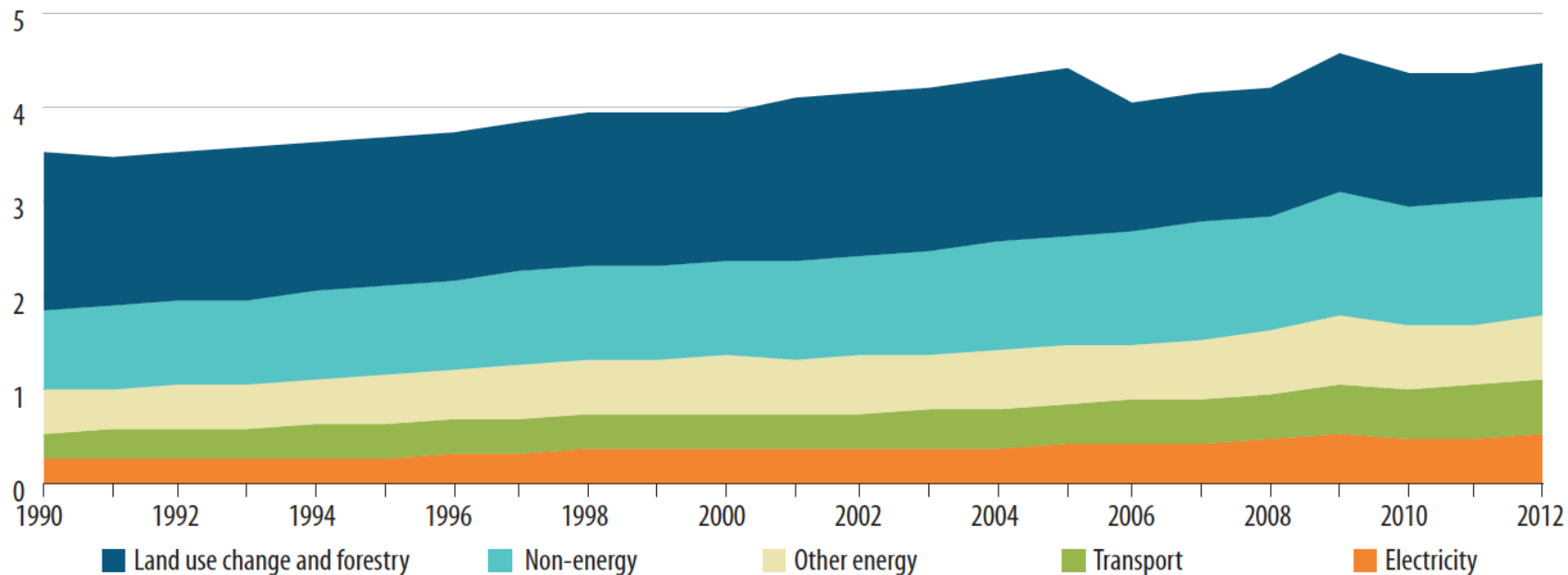
How is LATAM doing?



Climate change

FIGURE 34: Latin America's greenhouse gas emissions have been growing driven by energy-related emissions, 1990-2012

(gigatons of carbon dioxide equivalent, GtCO₂e)

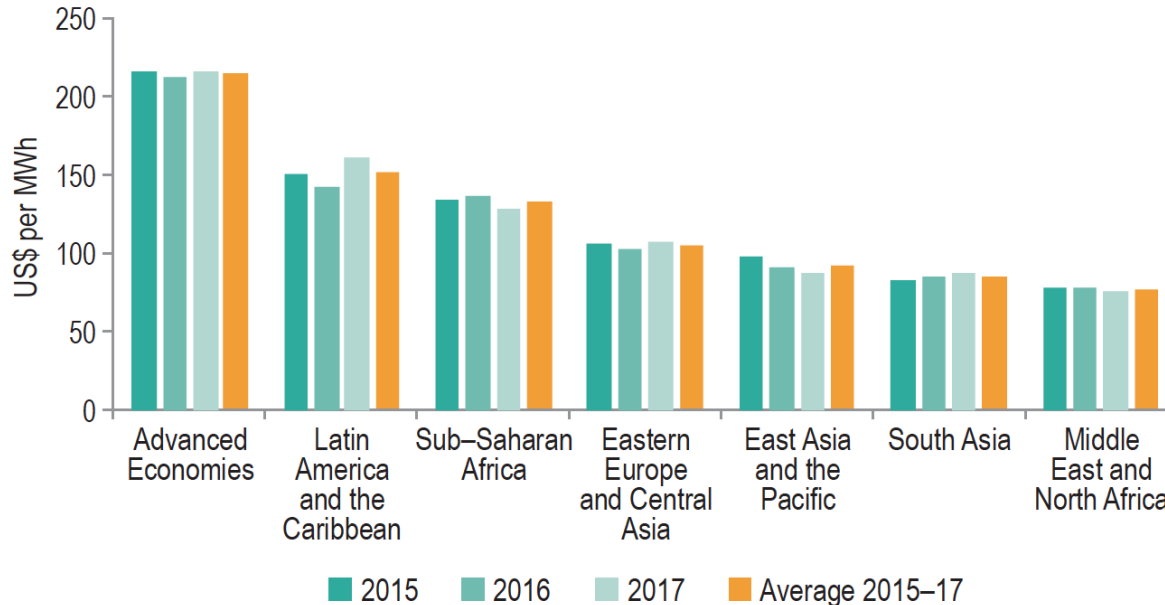


Source: WRI 2016.

Affordability

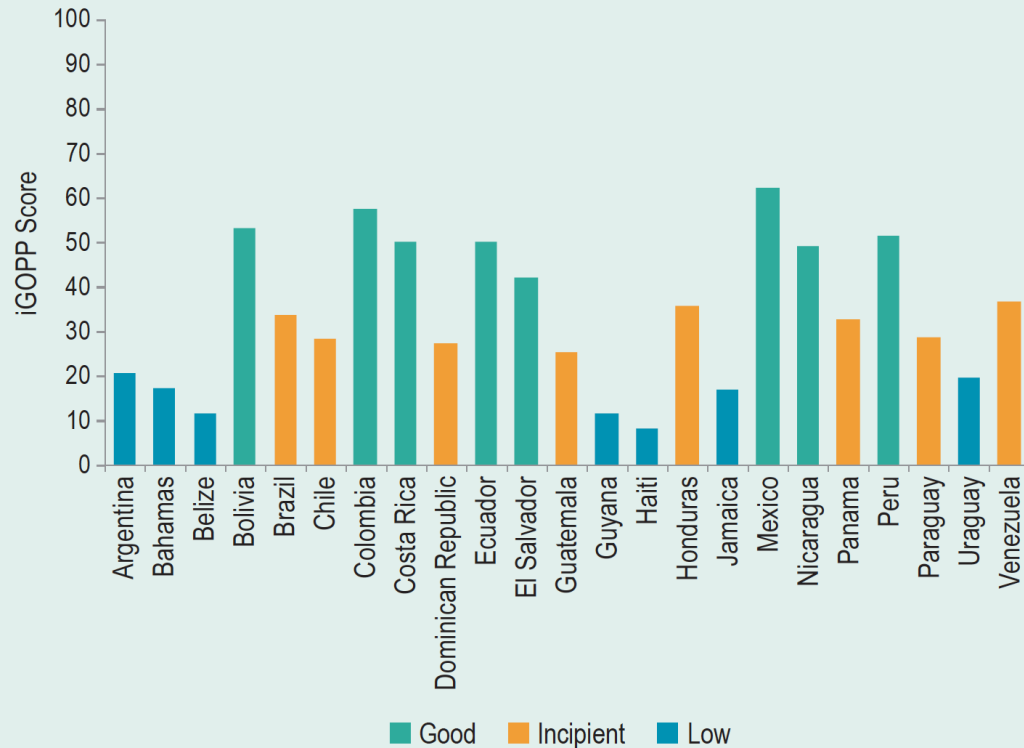
Figure 1.5
Prices of Electricity and Water by Region, 2015-17

Panel A. Retail Prices of Electricity by Region



Resilient infrastructure

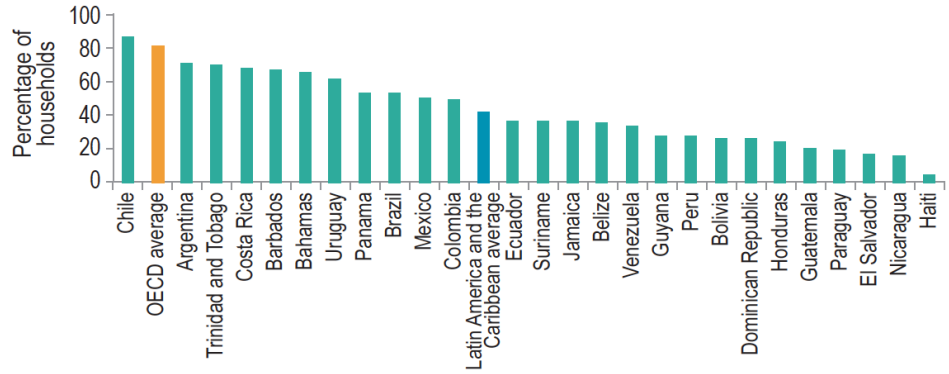
Figure 6.2.1
Disaster Risk Management Scores



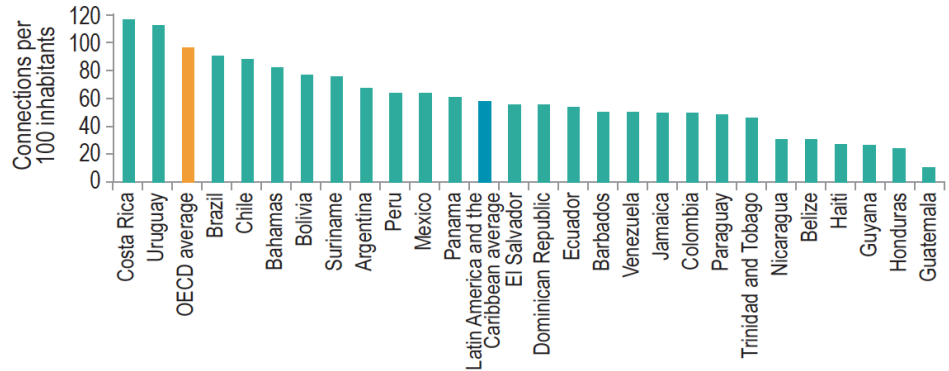
Digital connectivity

Figure 5.8
Access to Fixed and Mobile Communication Technologies,
Latin America and the Caribbean vs. OECD, 2018

Panel A. Households with access to Internet



Panel B. Mobile broadband penetration



Wrapping up ... we need to boost spending efficiency in infrastructure (quality)



Developing sustainable
infrastructure

Closing the access gap

Recognizing that Good Governance
and Transparency throughout the
project life cycle are key