

ADB says Asia needs to double infrastructure spending

February 28 2017, by Teresa Cerojano



In this Feb. 8, 2013 file photo, a railway signalman waves a green flag indicating a train to proceed as a man rides a bicycle on the level-crossing close to a suburban train station of Yangon, Myanmar. Developing countries in Asia and the Pacific will need to invest up to \$1.7 trillion a year, or \$26 trillion through 2030, to meet their infrastructure needs and to maintain the region's growth momentum—more than double the previous estimate in 2009, an Asian Development Bank report said Tuesday, Feb. 28, 2017. (AP Photo/Gemunu Amarasinghe, File)

Developing countries in Asia and the Pacific will need to spend up to

\$1.7 trillion a year, or \$26 trillion through 2030, to meet their infrastructure needs and to maintain the region's growth momentum, the Asian Development Bank said in a report Tuesday.

That's more than double the previous estimate, made in 2009.

The Manila-based bank's [report](#) covering 45 countries says despite dramatic growth in [infrastructure](#) development that has supported growth, reduced poverty and improved people's lives, a substantial gap remains.

More than 400 million people still lack electricity, 300 million have no access to safe drinking water and about 1.5 billion lack basic sanitation.

Many economies in the region lack modern ports, railways and roads to better connect them to larger domestic and global markets, the report said.

"The demand for infrastructure across Asia and the Pacific far outstrips current supply," said ADB President Takehiko Nakao. "Asia needs new and upgraded infrastructure that will set the standard for quality, encourage economic growth, and respond to the pressing global challenge that is [climate change](#)."

The 25 economies comprising 96 percent of the region's population currently spend \$881 billion a year on infrastructure.

A significant part of the investments needed involve adapting to climate change, such as shifting from carbon-intensive modes of travel like private cars to public transportation like subways and railways, elevating road embankments, reinforcing structures and fortifying flood control systems to guard against rising sea levels and [extreme weather events](#).



In this Feb. 22, 2016 file photo, a construction worker is silhouetted while working at a construction site in Roang Chak village, in Phnom Penh, Cambodia. Developing countries in Asia and the Pacific will need to invest up to \$1.7 trillion a year, or \$26 trillion through 2030, to meet their infrastructure needs and to maintain the region's growth momentum—more than double the previous estimate in 2009, an Asian Development Bank report said Tuesday, Feb. 28, 2017. (AP Photo/Heng Sinith, File)

Including [climate change mitigation](#) and adaptation, infrastructure needs in the region will exceed \$26 trillion or \$1.7 trillion per year, the report said.

The earlier, 2009 estimate, based on 2008 prices, included the infrastructure needs of 32 countries in 2010 to 2020. The latest report covers 45 countries and uses 2015 prices.

The report urges countries to enact regulatory and institutional reforms to make infrastructure more attractive to private investors, to boost government revenues through taxation and other reforms and to prioritize spending on infrastructure.



In this Nov. 19, 2016 photo, schoolchildren, escorted by their parents, climb on a metal ladder with hand railings to Ahtuler village on a cliff in Zhaojue in southwest China's Sichuan province. Developing countries in Asia and the Pacific will need to invest up to \$1.7 trillion a year, or \$26 trillion through 2030, to meet their infrastructure needs and to maintain the region's growth momentum - more than double the previous estimate in 2009, an Asian Development Bank report said Tuesday, Feb. 28, 2017. (Chinatopix via AP)



In this Nov. 19, 2016 photo, a child is escorted by his father to climb on a metal ladder with hand railings to Ahtuler village on a cliff in Zhaojue in southwest China's Sichuan province. Developing countries in Asia and the Pacific will need to invest up to \$1.7 trillion a year, or \$26 trillion through 2030, to meet their infrastructure needs and to maintain the region's growth momentum - more than double the previous estimate in 2009, an Asian Development Bank report said Tuesday, Feb. 28, 2017. (Chinatopix via AP)

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