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COVID-19, International Private Capital, and Infrastructure-Led Recovery

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Virtual Event



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COVID-19, International Private Capital, and Infrastructure-Led Recovery



Speaker

**Wale
Shonibare**

Director, Energy Financial
Solutions, Policy & Regulations,
African Development Bank,
Abidjan, Côte d'Ivoire



Speaker

Jeffrey Lee

Principal, Capalino
New York, United States



Speaker

**Dr. Lourdes
Casanova**

Director, Emerging Markets
Institute, Cornell University,
New York, United States



Moderator

**Joshua
Soloway**

Partner, Barton LLP
New York, United States

Monday, May 17, 2021 | 9:00 AM - 10:30 AM EST

Summary

The need for substantial investment to close Africa's huge infrastructure gap has attracted considerable attention in the international finance and development circle in the last two decades. Estimates from the African Development Bank indicate¹ while about \$130-\$170 billion per annum is needed to close this gap, unmet financing needs are in the \$68 -\$108 billion range every year. Closing this gap is important for the continent's ability to achieve the SDGs.

While much progress has been made in the past two decades – due partly to improving economics and policy reforms – in attracting international private capital for the development of the continent's transport, ICT, energy, water, and sanitation sectors, achieving financial close remains an issue. A March 2020 McKinsey article² concludes that in Africa, "80 percent of infrastructure projects fail at the feasibility and business-plan stage." The report calls this "Africa's infrastructure paradox – there is need and availability of funding, together with a large pipeline of potential projects, but not enough money is being spent." Clearly, this underscores the need for increased dialogue and public-private partnerships to mobilize investments into priority projects.

In the immediate aftermath of the COVID-19 pandemic, business leaders, policymakers, and key players from global financial institutions and multilateral development banks emphasized the need to prioritize infrastructure investment in a bid to drive the post-pandemic economic recovery. However, in the last five years, most emerging markets and developing economies (EMDEs) have witnessed low commodity prices, sluggish GDP growth, low levels of domestic savings, and weak private capital inflows.

As a result of the concomitant high debt levels and limited fiscal space, many EMDEs and sovereign entities face credit downgrade risks in the current environment. While the notion of an infrastructure-led recovery remains popular in many developed countries, clearly, traditional sources of infrastructure financing will likely not thrive in many post-pandemic EMDEs, particularly in Africa.

In addition to triggering the most severe recession in nearly a century, COVID-19 has disrupted global value chains, causing unprecedented damage to health care systems, economies, and well-being. With both domestic and external financing drying up in the face of the pandemic, the continent's existing unmet infrastructure financing needs are being further exacerbated.

As international investors rebalance their portfolios, some important questions remain.

¹ <https://www.brookings.edu/blog/africa-in-focus/2019/06/27/figures-of-the-week-africas-infrastructure-needs-are-an-investment-opportunity/#:~:text=To%20close%20this%20gap%2C%20the,and%20%24108%20billion%20per%20year.>

² <https://www.mckinsey.com/business-functions/operations/our-insights/solving-africas-infrastructure-paradox>

Speakers



Wale Shonibare

Director, Energy Financial Solutions, Policy and Regulation
African Development Bank, Abidjan, Côte d'Ivoire

Profile

Wale Shonibare has over three decades experience spanning Asia, Europe, Middle East and Africa in Investment Banking and Consulting. Wale joined the African Development Bank in 2017 as the inaugural Director of Energy Financial Solutions, Policy and Regulation. This team has established itself as a leading transactions team across Africa, having undertaken several Mandated Lead Arranger roles and launched well-acclaimed flagship initiatives to improve the enabling environment for private sector investment in the energy sector.

Prior to joining the AfDB, Wale held various positions at management-level at United Capital (Nigeria), Renaissance Capital (UAE) and KPMG (UK; UAE). Wale has served on several industry panels, including the SEC Committee on the development of the 10-year Capital Markets Masterplan in Nigeria. He has advised the EU Commission on the reform of rules governing grant funding for Trans-European Transport Networks, the OECD on off-budget funding for infrastructure projects, the World Bank on its PPP toolkit, the UAE Sovereign Wealth Fund and the Central Bank of Nigeria on policy incentives to boost private sector financing of infrastructure in Nigeria.

Wale holds a B.Eng (hons) in Civil Engineering from Glasgow University and an MBA from Imperial College, University of London.



Jeffrey Lee

Principal, Capalino, New York, United States

Profile

Jeffrey Lee is a Principal at Capalino, where he provides strategic guidance to start ups, growth stage, and established companies looking to enter a new market or grow their operations. His expertise in economic development initiatives and tax incentives is valuable to companies looking to identify and unlock growth opportunities and navigate the challenges of a complex and rapidly changing business landscape.

Prior to joining Capalino, Jeff worked at NYCEDC, overseeing the New York City Industrial Development program, where he deployed millions of dollars of economic development tax incentives to assist catalytic, job-generating projects in the industrial, maritime, healthcare, and nonprofit sectors. Jeff also obtained NYCEDC's first award of New Markets Tax Credit allocation and directed that allocation to catalytic community development projects citywide. Prior to his public sector tenure, Jeff practiced real estate law, representing affordable housing lenders and community development organizations on high-impact local development projects.

Jeff currently serves on the Advisory Council for CUNY Startups and the boards of Billion Oyster Project, Southwest Brooklyn Industrial Development Corporation and Terreform One.



Dr. Lourdes Casanova

Academic Director, Emerging Markets Institute, Cornell University
New York, United States

Profile

Dr. Lourdes S. Casanova is an academic, author and currently a Senior Lecturer of Management at the Samuel Curtis Johnson Graduate School of Management and Gail and Roberto Cañizares Director of the Emerging Markets Institute. Before her appointment to Johnson School, Dr. Casanova was a lecturer in the Strategy Department at INSEAD. She specializes in international business with a focus on Latin America and multinationals from emerging markets. In 2014 and 2015, Dr. Casanova was appointed as one of the 50 most influential Iberoamerican intellectuals by Esglobal. Also, she is member of the Boyce Thompson Institute.

Past teaching experiences include visiting faculty positions and guest lecturer assignments at Tecnológico de Monterrey, HEC Montréal, ESADE Business School, Universitat Pompeu Fabra, San Diego University's School of Business Administration, Oxford University's Latin American Center, Cambridge Judge Business School, Universidad Autónoma de Barcelona's Institute of European Studies, Universität Zürich, and Haas School of Business. She is a visiting professor at Wenzhou University, China.

Speakers

Dr. Casanova is also a former awardee of the Fulbright Scholar Program. She is a member of the Global Agenda Council on Latin America. Also, she's a member of the Competitiveness in Latin America Task Force and of the Global Agenda Council on Latin America of the World Economic Forum. Furthermore, she is a board member and chairperson of the Compensation Committee of the Boyce Thompson Institute, a member of the Advisory Committee European Union/Brazil, the World Investment Network of the UNCTAD, B20 Business Summit's Information and Communication Technologies and Innovation task force, a reviewer of Strategy Management Journal, and was responsible at INSEAD of the Goldman Sachs 10,000 Women Initiative.

Dr. Casanova is a board member of a start-up Documenta, a member of the Network of Interdisciplinary Research in Family Firms[4] and the Nominating committee of the World Innovation Summit (HiT Barcelona). She is also member in the Executive Committee of the Cornell Institute for European Studies (CIES), member of the advisory board of the Tompkins County Public Library, a member of the NCE Standing Selection Committee, and a founding Board Member of the Société des Amis du Chateau de Fontainebleau. She is also a consultant at the Inter-Development Bank.

Dr. Casanova speaks Catalan, Spanish, French, English, Portuguese, Italian and Dutch.

Moderator



Joshua Soloway

Partner, Barton LLP, New York, United States

Profile

Joshua Soloway is a corporate transactional partner who provides clients with a multifaceted perspective, drawing on his experience and expertise as an entrepreneur, investment banker, and corporate finance attorney. His practice focuses on advising middle-market, growth stage, and multinational companies and investors across a wide range of industries, including banking, blockchain, energy, infrastructure, industrial, impact investing, media & entertainment, and technology.

Moderator

Earlier in his career, Joshua founded a boutique Wall Street law firm that represented international investors and issuers on US capital markets activities. As Co-Founder and CEO of Ameritus Capital Group, he led the firm's banking and financial advisory businesses, specializing in institutional private placements. Joshua was previously Managing Director of Rainmaker Global, an international consulting firm focused on market expansion and accelerated growth strategies. With over 15 offices around the globe, Joshua launched the firm's New York office and led it to become the firm's most profitable office globally, accounting for over 50% of annual worldwide revenues.

In addition to his professional activities, Joshua serves on the board of Child Rescue Association and was appointed Special Counsel to the Vatican's Impact Accelerator, The Laudato Si Challenge and is a founding member of Forbes Impact. Joshua co-hosts the top-rated Innovation & Leadership, Funding Lab, and Impact Dealmaker podcasts. He is also a frequent speaker on international business, startup and venture finance, energy, and impact investing. He sits on the board of the Economic Club of Africa in New York.