



Singapore, World Bank Group Respond to Global Demand and Establish Major Infrastructure and Urban Development Hub

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Expanded World Bank Group Office in Singapore Promotes Sustainable Infrastructure and Urban Development, and Private Sector Investment, Advisory and Treasury Services
Fifty years ago, Singapore was a new nation, hungry to develop its infrastructure, create jobs and set itself on the path to rapid, sustained growth. Today, the city state of over 5.5 million people is a global center of trade and finance, and serves as an example to countries and urban centers around the developing world. That transformation - from a borrower of the World Bank for infrastructure investment to an international financial centre and trading hub - is a major reason why the World Bank Group is expanding its Singapore office to create its first Infrastructure and Urban Development Hub. The choice of Singapore for the World Bank Groups hub that focuses on infrastructure and urban development is based on three factors: Singapores unique role as a regional business and trade center, its strong position in world capital markets, and its remarkable development history. "As the center of global economic activity gravitates increasingly to East Asia, Singapores role will further grow. This provides huge opportunities for emerging and developing economies," said Axel van Trotsenburg, World Bank Vice President for East Asia and the Pacific region. "The World Bank Group wants to seize this opportunity and build a dynamic partnership for the future that will have important spin-off effects for developing countries." The expanded hub operation will provide services at the global level, employing more than 200 people from the World Bank, the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA) over the next two years. Work from the World Bank Groups public sector side will involve sectoral teams dedicated to Energy, Extractives, Water, Transport, Information Communications Technology, Public-Private Partnerships, Trade Competitiveness, and Urban Development as well as the Global Infrastructure Facility. "This agreement with Singapore to create the World Bank Groups first global Infrastructure and Urban Development Hub is built on our mutual belief that sustainable infrastructure and urban development are critical to fostering economic growth, improving the quality of life of the poor and building opportunities for more equitable prosperity," said Kyle Peters, World Bank Senior Vice President for Operations. A complementary focus of the hub will be expanded investment and advisory programs and instruments offered by the IFC and MIGA, the World Bank Groups private sector arms. "The World Bank Group will leverage Singapore's position in global capital markets by establishing its Asia Treasury Hub, expanding the number of funds managed out of Singapore by IFC's Asset Management Company, growing IFC's Investment and advisory teams to expand infrastructure investments and include the venture capital and technology teams as well as other sectors," said Jingdong Hua, IFC Vice President and Treasurer. Singapores ability to transform infrastructure investments into productive assets for economic growth and increased prosperity, as well as its capacity to undertake sustainable urban planning, stands as an example to many developing cities and countries. Between 1963 and 1975, Singapore received 14 loans from the World Bank. The initial loans included the financing of a deep sea terminal at the Port of Singapore, doubling of the countrys energy capacity and the construction of the water interconnector with Malaysia. Later loans covered environmental and flood management, telecommunications systems, the capitalization of the Development Bank of Singapore and the consolidation of college campuses into the National University of Singapore. Singapores Senior Minister of State for Finance and Law Indranee Rajah, who witnessed the signing of an agreement between the World Bank Group and the Singapore Government to expand the scale of World Bank Groups office in Singapore on Tuesday, said that "The next phase of the Singapore Hub will foster greater and more meaningful integration of the World Banks functions with Singapores strengths and developmental experience. The World Bank Group can collaborate with Singapores business and research ecosystem to enhance its range of solutions for developing countries in the region and beyond." "Today, the financial instruments available for supporting investment in developing countries are much more varied and the role of private finance is particularly important," said Karin Finkelston, Chief Operating Officer and Vice President for MIGA. "We will continue to innovate in the use of insurance products, guarantees and other risk instruments from our operations in Singapore, mobilizing more private finance and helping to fill the infrastructure finance gap." Today, mobilizing private sector investment in high-quality, sustainable infrastructure is crucial to ensuring access to markets and basic services that will boost trade and productivity, provide jobs, and improve peoples lives in developing and emerging economies. More infrastructure investment is urgently needed. More than 1.1 billion people around the world live without reliable electricity and 660 million people lack access to safe drinking water, while at least a third of rural communities have limited road access. Such poor infrastructure hurts the competitiveness of communities, countries, businesses, and impedes economic growth. At the same time, urban areas throughout the Asia-Pacific region and elsewhere are growing as economies transform and people move to where opportunity exists. Proper planning for the rapid urbanization occurring is vital to ensure sustainable economic growth that brings prosperity for all, especially the poor and most vulnerable populations. Jointly issued by the World Bank Group and the Government of Singapore
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