

Summary of previous round of the debate

Reducing Costs: infrastructure development

This popular discussion addresses the proposition that rural infrastructure must be improved to be competitive and that both the private and public sectors are critical. It was noted that in-country product value added transformation is required for poor countries to develop. Infrastructural development is needed for that but it must be coordinated within an integrated solution, which often is not the case. Many things must come together and it was suggested that this is best addressed through a value chain approach. As suggested, one place to start is to define rural infrastructure and have public and private sector agreement on what is needed within a given context. Then how is the infrastructural investment best done? It was suggested that "smart subsidies" may be useful to mitigate some of the risks and start-up costs of private infrastructural investment. This discussion will continue as we move deeper in some of the areas with the next question.

Current focus of the Debate

What is the role of national, regional and local government in promoting rural infrastructural development and are incentives a key to success of such investment?

How can this be structured so that it is attractive to investors and operators while meeting the economic conditions of the governments and the social objectives for rural development?