

INTERNATIONAL CONFERENCE ON INFRASTRUCTURE ECONOMICS AND DEVELOPMENT

organized by the World Bank, Agence Française de Développement, the Public Private
Infrastructure Advisory Facility and the Institut d'Économie Industrielle

TOULOUSE, FRANCE, JANUARY 14-15, 2010

(PLEASE NOTE THAT LAST MINUTE CHANGES TO THE PROGRAM ARE POSSIBLE)

During sessions, presenters will have 20 minutes, followed by 5 minutes for the discussants and 5 min of Q&A.

Thursday January 14, 2009

8:30 am **Keynote Presentation -** (Auditorium Verdi)

Professor Jean Tirole,
“Climate Change Policy: A New International Architecture”

9:15 am **Plenary Session - The Economics of Climate Change** (Auditorium Verdi)

Marianne Fay (World Bank) — Development and Climate Change
Franck Lecocq (INRA and Agro Paris) — Climate change and the economics
of targeted mitigation in infrastructure sectors

10:15 - 10:45 **Coffee Break**

10:45 – 12:15 **Parallel Sessions**

Session 1 (3 papers) - Regulation 1 (Room Seria 1)
Session 2 (3 papers) - The State of Infrastructure in Africa (Auditorium
Verdi)
Session 3 (3 papers) - Economic Geography 1 (Room Oratorio)

12:15 - 1:30 **Lunch Break**

1:30 – 3:00 **Parallel Sessions II**

Session 4 (3 papers) - Public-Private Partnerships 1 (Auditorium Verdi)
Session 5 (3 papers) - Impact Evaluation of Infrastructure. – Roads (Room
Oratorio)
Session 6 (3 papers) - Economic Geography 2 (Room Seria 1)

3:00 – 3:30	Coffee Break
3:30 – 5:00	Parallel Sessions III Session 7 (3 papers) - Regulation 2 (Room Seria 1) Session 8 (3 papers) - Impact Evaluation of Infrastructure. – Water (Auditorium Verdi) Session 9 (3 papers) - Political Economy (Room Oratorio)
4:30 – 6:00	Panel discussion organized by AFD - The changing climate of economics. Integrating environmental issues in development economics: some issues raised by practitioners Moderator Alexis Bonnel, AFD <ul style="list-style-type: none"> - Putting a price on natural capital: a case study from Mozambique - Vasco Nhabinde, Economics Center of the Eduardo Mondlane University, Maputo, and Eric Mungatana - Centre for Environmental Economics and Policy in Africa, University of Pretoria - Modelling complexity : spatial planning, urban development and climate change – Jean-Yves Grosclaude, AFD - Dealing with risk and uncertainty : assessing energy vulnerability under a changing climate – Hélène Connor, Helio International - How to discount the future and define priorities ? : experience from the Africa Infrastructure Country Diagnosis – Cecilia Briceño-Garmendia, World Bank
7:30 – 8:30	Hôtel d'Assézat. Fondation Bemberg Museum Visit (optional)
8:30 – 1:00	Hôtel d'Assézat. Cocktails and Dinner

Friday January 15, 2009

9:00 – 9:45	Keynote Presentation (Auditorium Verdi) Professor Eduardo Engel, Yale University "PPPs and the Heavy Burden of Renegotiations: New Developments".
9:45 – 11:15	Parallel Sessions IV Session 10 (3 papers) - Industrial Organization Issues (Auditorium Verdi) Session 11 (3 papers) - Impact Evaluation – Effects on Poverty (Room Seria 1) Session 12 (3 papers) - Telecommunications (Room Oratorio)

11:15 - 11:30	Coffee Break
11:30 – 13:00	Parallel Sessions V Session 13 (3 papers) - Infrastructure, Finance and Growth (Room Seria 1) Session 14 (3 papers) - Impact Evaluation - Electricity (Auditorium Verdi) Session 15 (3 papers) - Transport (Room Oratorio)
1:00 - 2:30	Lunch Break
2:30 – 4:00	Parallel Sessions VI Session 16 (3 papers) - Water & Telecom (Room Oratorio) Session 17 (3 papers) - Electricity and Firms (Room Seria 1) Session 18 (3 papers) - Public-Private Partnerships 2 (Auditorium Verdi)
4:00 – 4:30	Coffee Break
4:30 – 6:00	Panel Discussion on Infrastructure and the Financial Crisis — organized by World Bank and PPIAF Moderator: Marianne Fay <ul style="list-style-type: none"> - Timo Välilä, European Investment Bank - Sanghoon Ahn, Head, Policy and Research Division, Korea Development Institute (www.pimac.org) - José Luis Guasch, Senior Adviser, Sustainable Development, World Bank
6:30	conference ends

LIST OF SESSIONS AND PAPERS

Regulation 1 (Chair: Elisabetta Iossa - Room Seria 1)

Bruno Jullien (Toulouse School of Economics), Jerome Pouyet (Paris School of Economics) and Wilfried Sand-Zantman (Toulouse School of Economics) — Public and private investments in regulated network industries: Coordination and competition issues
Discussant: Elisabetta Iossa (Brunel University)

Ioannis Kessides (World Bank), Roger Noll (Stanford University) and Nancy Benjamin (World Bank) — Regionalizing Infrastructure Reform in Developing Countries
Discussant: Claude Crampes (Toulouse School of Economics)

Liam Wren-Lewis (Oxford University) — Commitment in utility regulation: A model of reputation with changing types and policy applications
Discussant: Stéphane Saussier (University of Paris 1)

Regulation 2 (Chair: Carl Bernadac - Room Seria 1)

Luis Andrès (World Bank), José Luis Guasch (World Bank) and Sebastián Lopez Azumendi (World Bank) — Regulatory governance for electricity distribution in Latin America
Discussant: Carl Bernadac (AFD)

David Martimort (Toulouse School of Economics) and Thierry Verdier (Paris School of Economics) — International Trade with Domestic Regulation under Asymmetric Information: A Simple General Equilibrium Approach
Discussant: Omar Chisari (Universidad Argentina de la Empresa)

Jon Stern (City University of London) — The relationship between regulation and contracts in infrastructure industries
Discussant: Ioannis Kessides (World Bank)

Public-Private Partnerships 1 (Chair: Pierre Picard - Auditorium Verdi)

Patrick Rey (Toulouse School of Economics) and Elisabetta Iossa (Brunel University) — Building reputation for contract renewal: Implications for performance dynamics and contract duration
Discussant: Yossi Spiegel (Tel Aviv University)

Daniel Benitez (World Bank) — Bundling tasks and contracts : The case of public-private partnerships
Discussant: Pierre Picard (CREA, University of Luxembourg, and CORE, Louvain)

Elisabetta Iossa (Brunel University) and Giancarlo Spagnolo (Stockholm School of Economics) — Implicit contracts and flexibility in public procurement
Discussant: Liam Wren-Lewis (University of Oxford)

Public-Private Partnerships 2 (Chair: Daniel Benítez - Auditorium Verdi)

Emmanuelle Auriol (Toulouse School of Economics) and **Pierre Picard** (CREA, University of Luxembourg) — A theory of BOT concession contracts

Discussant: Malin Arve (Toulouse School of Economics)

Vanessa Valéro (Toulouse School of Economics) — Government opportunism in public-private partnerships

Discussant: Daniel Benitez (World Bank)

Atsushi Iimi (World Bank) — Infrastructure procurement and ex post cost adjustments: Evidence from ODA-financed road procurement in Africa

Discussant: Nicoletta Berardi (Toulouse School of Economics)

Industrial Organization Issues (Chair: John Wilson - Auditorium Verdi)

Juan Pablo Rud (London School of Economics) — Infrastructure regulation and industry equilibrium when firms have an outside option: Evidence from Indian firms

Discussant: Ridwan Rusli (University of Luxembourg)

Zhigang Li (University of Hong Kong) and Han Li (Southwestern University of Finance and Economics, Chengdu, China)—Road investment and inventory reduction: Evidence from a large developing country

Discussant: John Wilson (World Bank)

Guido Friebe (Toulouse School of Economics), **Marc Ivaldi** (Toulouse School of Economics) and Jerome Pouyet (Paris School of Economics and Ecole Polytechnique) — Competition and industry structure for international rail transportation

Discussant: Tomas Serebrisky (World Bank)

Infrastructure, Finance and Growth (Chair: Bruno Biais - Room Oratorio)

Nicoletta Berardi (Toulouse School of Economics) and Paul Seabright (Toulouse School of Economics and CEPR) — Infrastructure joint ventures in developing countries

Discussant: Francesc Trillas (University Autònoma of Barcelona)

Carlo Cambini (Politecnico di Torino), Laura Rondi (Politecnico di Torino and CERIS-CNR) and **Yossi Spiegel** (Tel Aviv University and CEPR) — Investment and capital structure of partially private regulated firms

Discussant: Bruno Biais (Toulouse School of Economics)

César Calderón (World Bank), **Enrique Moral** (CEMFI) and Luis Servén (World Bank) — Is infrastructure capital productive? A dynamic heterogeneous approach

Discussant: Nicola Limodio (Scuola Superiore Sant'Anna, Pisa)

Impact Evaluation of Infrastructure - Water (Chair: Alban Thomas - Auditorium Verdi)

Gayatri Koolwal (World Bank) and **Dominique van de Walle** (World Bank) — Access to water, women's work and child outcomes

Discussant: Veronique Thelen (Toulouse School of Economics – Arqade)

Florencia Devoto (Paris School of Economics), Esther Duflo (MIT), Pascaline Dupas (UCLA),

William Parienté (UC Louvain) and Vincent Pons (MIT) — Happiness on tap: The Demand for and impact of piped water in urban Morocco

Discussant: Alban Thomas (Toulouse School of Economics)

Impact Evaluation of Infrastructure - Roads (Chair: Dominique Van de Walle - Room Oratorio)

Martín Valdivia (Grupo de Análisis para el Desarrollo, Peru) — Contracting the road to development: Early impacts of a rural roads program

Discussant: Dominique Van de Walle (World Bank)

Elodie Djemai (Toulouse School of Economics) — How do roads spread AIDS in Africa? A critique of the received policy wisdom

Discussant: Dominique Van de Walle (World Bank)

Marie Gachassin (University of Paris I), Boris Najman (University of Paris I) and Gaël Raballand (World Bank) — Roads impact on poverty reduction. A Cameroon case study

Discussant: Tanguy Bernard (AFD)

Impact Evaluation of Infrastructure - Effects on Poverty (Chair: David Saal - Room Serial 1)

Marco Gonzalez-Navarro (UC Berkeley) and Climent Quintana-Domeque (Universitat d'Alacant) — Infrastructure and development: Evidence from an infrastructure experiment in Mexico

Discussant: Martin Valdivia (GRADE, Lima)

Anne Olivier (Paris School of Economics, and DIAL) — Distributional Incidence of the Water Tariff Subsidies in Casablanca, Morocco

Discussant: David Saal (Aston Business School)

Yasuyuki Sawada (University of Tokyo), Masahiro Shoji (University of Tokyo), Shinya Sugawara (University of Wisconsin-Madison) and **Naoko Shinkai** (Nagoya University) — The role of infrastructure in mitigating poverty dynamics: The case of an irrigation project in Sri Lanka

Discussant: Shashanka Bhide (NCAER, India)

Impact Evaluation - Electricity (Chair: Céline Nauges - Auditorium Verdi)

Molly Lipscomb (University of Colorado, Boulder), **Mushfiq Mobarak** (Yale University) and **Tania Barham** (U. of Colorado, Boulder)—Development effects of electrification: Evidence from the geologic placement of hydropower plants in Brazil
Discussant: Stefan Ambec

Treena Wu (Maastricht University), **Lex Borghans** (Maastricht University) and **Arnaud Dupuy** (Maastricht University)—Energy infrastructure and left behind villages in Indonesia: Effects of electric energy on children's educational outcomes
Discussant: Céline Nauges (Toulouse School of Economics)

Taryn Dinkelman (Princeton University) — Effects of rural electrification on employment: New evidence from South Africa
Discussant: Pierre Dubois (Toulouse School of Economics)

The State of Infrastructure in Africa (Chair: Emmanuelle Auriol - Auditorium Verdi)

Cecilia Briceño-Garmendia (World Bank) -- Transforming Africa's Infrastructure
Discussant: Emmanuelle Auriol (Toulouse School of Economics, Arqade)

Sabah Abdullah (University of Bath) and **Anil Markandya** (Basque Centre for Climate Change, Spain) -- Rural electrification programs in Kenya: Policy conclusion from a valuation study
Discussant: Jörg Peters (RWI Essen)

Ousmanou Nijkam (University of Yaoundé, Cameroon) — Trade Liberalization, Infrastructure and Industrial Performance in Cameroon
Discussant: Bethuel Kinuthia (Africa Studies Centre, Leiden, the Netherlands)

Political Economy (Chair: Réjane Hugounenq - Room Oratorio)

Pierre André (Paris School of Economics) and **Sandrine Mesplé-Soms** (DIAL Paris) — The allocation of public goods and national elections in Ghana
Discussant: Somik Lall (World Bank)

Anupama Sen (Cambridge University) and **Tooraj Jamasb** (Cambridge University) — The economic effects of electricity deregulation: An empirical analysis of Indian states
Discussant: Paul Seabright (Toulouse School of Economics)

Robin Burgess (London School of Economics), **Remi Jedwab** (Paris School of Economics), **Edward Miguel** (UC Berkeley) and **Ameet Morjaria** (London School of Economics) — Our turn to eat: The political economy of roads in Kenya
Discussant: Réjane Hugounenq (AFD)

Transport (Chair: Pepita Miquel-Florensa - Room Oratorio)

Kazutomo Abe and **John Wilson** (World Bank)—Investing in port infrastructure to lower trade costs in East Asia
Discussant: Nijkam Ousmanou (University of Yaoundé II, Cameroon)

Sandra Sequeira (Harvard University) and **Simeon Djankov** (World Bank) — On the waterfront:
An empirical study of corruption in ports
Discussant: **Pepita Miquel-Florensa** (Toulouse School of Economics)

Sergio Perelman (University of Liège) and **Tomas Serebrisky** (World Bank) — Measuring
technical efficiency of airports in Latin America
Discussant: **Germa Bel** (University of Barcelona)

Economic Geography 1 (Chair: Flávia Chein - Room Oratorio)

Céline Ferré (World Bank) — Is internal migration bad for receiving urban centers? Evidence
from Brazil 1995 – 2000
Discussant: **Flávia Chein** (CEDEPLAR, UFMG, Brazil)

Stefan Zeugner (ECARES, Université libre de Bruxelles) — Endogenous transport investment,
geography and growth take-offs
Discussant: **Ernesto Pasten** (Toulouse School of Economics)

Susan Stone (OECD), **Anna Strutt** (Waikato University) and **Thomas Hertel** (Purdue U) —
Assessing the socioeconomic impact of transport infrastructure projects in the Greater
Mekong Region
Discussant: **Ahmet Faruk Aysan** (Bogaziçi Üniversitesi, Istanbul)

Economic Geography 2 (Chair: Stefan Zeugner - Room Seria 1)

Maureen Kilkeny (University Of Nevada, Reno) and **Marie-Françoise Calmette** (Toulouse
School of Economics) — The gains from region-wide facilitation of transport
Discussant: **Chaudhry Omer** (Molde University College, Norway)

Mark Roberts (University of Cambridge), **Uwe Deichmann** (World Bank), **Bernard Fingleton**
(University of Strathclyde), **Tuo Shi** (World Bank) and **Andreas Kopp** (World Bank) —
Regional economic impacts of highway projects
Discussant: **Guang Zhe Chen** (World Bank)

Somik Lall (World Bank), **Justin Sandefur** (Oxford University) and **Hyoung Gun Wang** (World
Bank) — Does improving market access help de-industrialize lagging regions? Leaking by
linking in Ghana
Discussant: **Stefan Zeugner** (ECARES, Bruxelles)

Electricity and Firms (Chair: Farid Gasmi - Room Seria 1)

Carolyn Geginat (World Bank) and **Rita Ramalho** (World Bank/IFC) — Connecting businesses
to the electrical grid in 140 economies
Discussant: **Lika Ba** (EHESS, Paris)

Philippe Alby (Toulouse School of Economics, Arqade), Jean-Jacques Dethier (World Bank) and **Stéphane Straub** (Toulouse School of Economics - Arqade) — Firm development under infrastructure and credit constraints : The case of power generators
Discussant: Cecilia Briceño-Garmendia (World Bank)

Günther Bensch (RWI Essen), Jochen Kluve (RWI Essen) and Jörg Peters (RWI Essen) — Impact of Rural Electrification programs: Ex-ante Evidence from Rwanda
Discussant: Farid Gasmi (Toulouse School of Economics - Arqade)

Water & Telecom (Chair: Paul Noumba Um - Room Seria 1)

Stefan Klonner (Cornell University and J.W.Goethe Universität) and **Patrick Nolen** (University of Essex) — Does ICT benefit the poor? Evidence from South Africa
Discussant: Paul Noumba Um (World Bank)

David Ehrhardt, **Melissa Rekas** and Kevin Richards (Castalia Advisors) — Investment in Indonesia's Water Sector: Evidence of Financing, Capacity and Governance Effects
Discussant: Miguel Amaral (Université Paris 1)

Francesc Trillas (Universitat Autònoma de Barcelona) and Miguel Montoya (ITESM, Mexico), Commitment and regulatory independence in practice in Latin American countries
Discussant: Juan Pablo Rud (LSE)

Telecommunications (Chair: David Salant - Room Oratorio)

Michal Grajek (European School of Management and Technology) and Lars-Hendrik Röller — Regulation and Investment in Network Industries: Evidence from European Telecoms
Discussant: David Salant (Toulouse School of Economics)

Sjaak Hurkens (Institute for Economic Analysis and IESE) and **Doh-Shin Jeon** (Toulouse School of Economics) — Mobile Termination and Mobile Penetration
Discussant: Rafael Pinho de Moraes (Fundação Getulio Vargas)

Farid Gasmi (Toulouse School of Economics), Alexis Maingard (Telecom Paristech), Paul Noumba (World Bank) and Laura Recuero (OECD) — The impact of privatization of fixed-line telecommunications operators on network expansion, tariffs, and efficiency
Discussant: Patrick Nolen (University of Essex)