

G7 Ise-Shima Principles for Promoting Quality Infrastructure Investment

Reaffirming the crucial importance for stakeholders to work coherently to bridge the existing global demand-supply gap of infrastructure investment by promoting quality infrastructure investment so as to promote strong, sustainable and balanced growth and to enhance resilience in our society, as well as to contribute to the global efforts for the SDGs, we strive to align our own infrastructure investment with the following principles. We further encourage the relevant stakeholders, namely governments, international organizations, including multilateral development banks (MDBs), and the private sector, such as in PPP projects to align their infrastructure investment and assistance with these principles, including the introduction and promotion of a transparent, competitive procurement process that takes full account of value for money and quality of infrastructure.

Principle 1: Ensuring effective governance, reliable operation and economic efficiency in view of life-cycle cost as well as safety and resilience against natural disaster, terrorism and cyber-attack risks

Quality infrastructure investment should ensure effective governance, economic efficiency, sustainability and reliable operation during the life span of a project as well as safety and resilience against natural disaster, terrorism and cyber-attack risks.

Principle 2: Ensuring job creation, capacity building and transfer of expertise and know-how for local communities

Quality infrastructure investment should seek to contribute to job creation for local work forces and to transfer of expertise and know-how to local communities.

Principle 3: Addressing social and environmental impacts

Quality infrastructure investment must consider the social and environmental impacts of infrastructure projects and duly address such impacts including by applying social and environmental safeguards that are in line with international best practices as reflected in the most relevant standards including those of existing MDBs.

Principle 4: Ensuring alignment with economic and development strategies including aspect of climate change and environment at the national and regional levels

Quality infrastructure investment should be aligned with economic and development strategies at the national and regional levels, through dialogues with stakeholders from the project preparation and prioritization phases. Relevant elements of economic and development strategies to be considered include the development of a global supply chain through enhanced connectivity; use of latest technology such as information and communication technology; promotion of private investment and attraction of new industries; medium and long-term plans based on a long-term and cross-sector demand forecast and other relevant information; and debt sustainability and fiscal outlook. Climate change resilience, energy security and sustainability, conservation of biodiversity, disaster risk reduction should be considered including through further promotion of ecosystem-based approaches and green infrastructure.

Principle 5: Enhancing effective resource mobilization including through PPP

Quality infrastructure investment should effectively mobilize resources including from the private sector through PPP and other forms of innovative financing, including through MDBs. To this end, joint efforts among stakeholders including host country governments to strengthen the enabling investment environment at national and sub-national government levels, as well as to enhance due process and transparency are essential.