

# G20 Principles for Quality Infrastructure Investment

- It is essential to promote quality infrastructure focusing not only on quantity but also on quality to realize ‘Quality Growth’ as the huge demand for infrastructure investment is expected for the development of the global economy.
- The “G20 Principles for Quality Infrastructure Investment” was endorsed at G20 Finance and Central Bank Meeting on June 8 and 9, 2019 as well as at the G20 Osaka Summit on June 28 and 29, 2019.
- **Priorities are ①openness, ②transparency, ③economic efficiency in view of life-cycle cost, and ④debt sustainability**, among other principles.

## Summary of the G20 Principles for Quality Infrastructure Investment

### Principle 1: Maximizing the positive impact of infrastructure to achieve sustainable growth and development

- Infrastructure investment with **job creation** and **technology transfer** will promote a **virtuous circle of economic activities** through **capacity building**, productivity improvement and private investment facilitation. Connectivity should be enhanced by promoting sustainable development through infrastructure investment in accordance with such factors as SDGs, while being consistent with national and local development strategies.

### Principle 2: Raising Economic Efficiency in View of Life-Cycle Cost

- Quality infrastructure investment should attain **value for money**. It is important to take into account the total cost of construction of infrastructure, including its **operation and maintenance (O&M)**. **The risks of delays and cost overruns** should be considered. **Innovative technologies** should be leveraged.

### Principle 3: Integrating Environmental Considerations in Infrastructure Investments

- The impacts on factors such as ecosystems, biodiversity and climate should be considered. It is essential to improve disclosure of environment related information, thereby promoting the use of green finance instruments.

### Principle 4: Building Resilience against Natural Disasters and Other Risks

- Natural disaster risk management and human-risk management should be considered when designing infrastructure. Well-designed disaster risk insurance help incentivize resilient infrastructure.

### Principle 5: Integrating Social Considerations in Infrastructure Investment

- Infrastructure should be inclusive, enabling economic participation and social inclusion of all. Consideration should be given to **open access, safety, gender** and vulnerables.

### Principle 6: Strengthening Infrastructure Governance

- **Openness and transparency of procurement, anti-corruption** efforts and access to information and data are important.
- In addition to financial sustainability for each project, **macro-level debt sustainability** needs to be considered.

# Japan's Actions to promote quality infrastructure investment

## Japan's quality infrastructure investment (Project examples)

### (1) Delhi Mass Rapid Transport System Project in India

- Construction of a mass rapid transport system and procurement of vehicles
- **(Sustainability)**  
Introduction of energy-efficient regenerative brake system of a Japanese company, which contributed to reduction of CO2 emission by 22 million tons.
- **(Safety and resilience)**  
Introduction of Japanese safety standards thoroughly on construction sites such as helmets and safety shoes.



(Photo JICA)

### (2) Nhat Tan Bridge (Vietnam-Japan Friendship Bridge) Construction Project in Vietnam

- Implemented construction of the bridge on the Red River crossing Hanoi city.
- **(Accessibility and comfortability)**  
Achieved efficiency of logistics and reduced traffic jam by shortening the required time from airport to Hanoi city.
- **(Economic efficiency including life-cycle cost)**  
Contributed to the improvement of economic efficiency through the 'method of constructing top plate for foundation for steel-pipe-sheet-pile well,' Japanese method for construction to cope with soft ground.
- Contributed to the safe construction of bridges by adopting the above method. The same method is applied to many bridges in Vietnam.



(Photo JICA)

### (3) New Bohol Airport Construction and Sustainable Environment Protection Project in the Philippines

- Construction of the new airport in Bohol to meet the increasing aviation demands as the tourist spot
- **(Sustainability)**  
Under the concept of the 'eco-airport,' Japan constructed the environment friendly airport, utilizing Japan's excellent technologies including the solar power generation system, air conditioning facility with energy saving technology, energy saving lighting facility with LED.



(Photo Philippines Embassy of Japan)

## Disseminating the G20 principles

### Reiterating the importance of quality infrastructure investment at bilateral and multilateral meetings

- Japan has been proactively advocating the importance of quality infrastructure investment at the following multilateral conferences.

May 2016	Endorsed the "G7 Ise-Shima Principles for Promoting Quality Infrastructure Investment" Delivered Japan's initiative titled "Expanded Partnership for Quality Infrastructure"
June 2019	Endorsed the "G20 Principles for Quality Infrastructure Investment"
August 2019	TICAD VII
December 2019	The 14th ASEM Foreign Ministers Meeting
October 2020	OECD Ministerial Council Meeting
November 2020	ASEAN Summit Meeting
November 2020	G20 Riyadh Summit

- In addition, Japan promotes and disseminates quality infrastructure investment in accordance with international standards in bilateral meetings.

