



“Building on the Quality Infrastructure Investment (QII) principles issued by the G20 Japan, the G20 in 2020 has further recognized the benefits of most technology uptake in infrastructure.”

– Rakan BIN DOHAISH, G20 Saudi Arabia Infrastructure Working Group, Riyadh

Image Source: Dense built environment and complex infrastructure systems intersecting in the Shimbashi central district of Tokyo, Japan.

Image by Nicolas J.A. Buchoud, all rights reserved ©.



Rakan BIN DOHAISH
G20 Saudi Arabia
Infrastructure Working
Group (IWG)
Riyadh, Saudi-Arabia

About the G20 InfraTech agendas. An insight

Infrastructure investments will play a significant role in supporting post Covid-19 economic recovery with a focus on sustainable development and resilience but this will mean redoubled efforts from both developed and developing countries. Even before the pandemic outbreak, the Global Infrastructure Hub projected the global infrastructure financing gap would reach 15 trillion by 2040, which remains significant. To improve infrastructure financing in terms of quality and quantity, the Saudi G20 Presidency worked on two main priorities which have been reinforced by the Covid-19 crisis.

Utilizing the benefits of technology for infrastructure

Building on the Quality Infrastructure Investment principles issued by the G20 Japan, the G20 in 2020 has further recognized the benefits of most technology uptake in infrastructure including reducing time to build, increasing return on investments, lowering operation and maintenance costs

and delivering better social, economic and environmental outcomes to meet the Sustainable Development Goals.

To increase the uptake of technology in infrastructure sectors and maximize its benefits, the G20 has issued an InfraTech Agenda, endorsed by G20 leaders, finance ministers and central bank governors at the G20 Leaders' summit in Riyadh in November 2020. The Agenda is also supported by several international organizations. It is a high-level policy guidance for national authorities and the international community to advance the adoption of new and existing technology in infrastructure to fully reap its multiple benefits. The InfraTech Agenda should enable governments to save money and make more informed decisions and enhance governance.

The conclusion of this work is a set of nineteen recommendations along six priority areas:

1. Leverage InfraTech to enhance economic efficiencies and mobilize private - sector investment to promote growth and fiscal sustainability;
2. Promote technologies that foster inclusivity, sustainability, resilience, and good governance;
3. Accelerate innovation and economic dynamism in InfraTech related industries to support economic recovery and growth;
4. Foster a robust data ecosystem to improve resilience and better inform infrastructure planning, operation, maintenance, and investment decisions;

5. Develop agile and flexible policy tools that promote potential growth, productivity and innovation while mitigating risks;
6. Promote national and international cooperation in R&D and knowledge – sharing.

Box: a definition of InfraTech

Infrastructure technology, or InfraTech, can be described as the integration of material, machine and digital technologies across the infrastructure lifecycle. At its broadest definition, InfraTech can be considered any technology that impacts the development, delivery, and ongoing operation of infrastructure. This may include technologies used to define the strategic requirements of infrastructure or enable data-driven decision-making, innovations in finance and funding that support the commercial management of an asset, or technologies integral to the relationship a customer has with infrastructure services. From a policy perspective, it is important to make the distinction between the design of technologies in the operations of infrastructure planning and delivery versus the integration of technologies into the structures themselves, which changes the nature of infrastructure assets from simple inanimate objects to dynamic information systems. (Source: G20 Infrastructure Working Group – G20 Riyadh InfraTech Agenda)

Continuing the work of the G20 Roadmap Infrastructure as an asset class with a focus on improving regulatory framework for the private sector participation.

The G20 Roadmap Infrastructure as an asset class was issued by the G20 Argentina in 2018. In 2020, the Infrastructure Working Group looked at strengthening regulatory frameworks to enhance private sector investment in infrastructure. It is now commonly assumed that public investment in infrastructure will not be enough to meet key infrastructure economic and development objectives, a trend which has been reinforced by the Covid-19 crisis. Thus, it is essential for countries to improve the use of available resources and upgrade private sector participation in infrastructure investment.

The Saudi G20 presidency has engaged with more over a hundred institutions, investors and asset managers globally, to release the G20-OECD report on the collaboration with institutional investors and asset managers on infrastructure in July 2020.¹ The report includes several proposals to create and enable a better environment for private sector investments in infrastructure, based upon:

- a long term strategic and collaborative approach to enhance the supply of the bankable infrastructure projects;
- the promotion of a fair and transparent investment framework and strong regulatory institutions that are able to attract private sector investment.

The report has issued over thirty policy proposals, which should further be explored and developed by the G20 Italy throughout 2021.

1. <http://www.oecd.org/daf/fin/private-pensions/Collaboration-with-Institutional-Investors-and-Asset-Managers-on-Infrastructure.pdf>