

Meeting of the Council at Ministerial Level, 2-3 May 2024**A HIGH-LEVEL APPROACH TO ENHANCE AND BETTER INTEGRATE
OECD WORK ON INFRASTRUCTURE****JT03542078**

1. Quality infrastructure is a driver of productivity, socio-economic prosperity and strong, balanced and inclusive growth and sustainable development.¹ However, sufficient investment in this critical asset remains a persistent and ongoing challenge.

2. This note sets out a high-level approach to enhance and better integrate OECD work on infrastructure in areas such as data collection, analysis, identification of good practices and policy advice. The note also presents the foundations for a more ambitious approach to OECD work on infrastructure in a future second phase.

An urgent need to narrow the global infrastructure investment gap in alignment with global policy objectives

3. The gap between current levels of infrastructure investment and the level needed to achieve the Sustainable Development Goals (SDGs) is expected to grow to as much as USD 18 trillion cumulatively by 2040.² For Africa, the SDG infrastructure investment gap has been estimated at USD 170 billion annually, partly as a result of increasing infrastructure demand due to rapid urbanisation. This represents 6-7% of the continent's GDP.³ For Latin America, the gap is estimated at around USD 270 billion per year, roughly 3% of the region's GDP.⁴

4. The investment gap has profound implications for the achievement of SDGs, given its importance for growth, development, well-being, quality of life and indeed all aspects of economic and social activity. From a development perspective, the widening infrastructure gap is of particular concern. A total of 80% of infrastructure projects in Africa, for example, do not progress past the planning stage,⁵ with implementation challenges throughout the project development cycle.⁶ This highlights the need for enhanced collaboration and engagement on infrastructure investment with emerging and developing countries, including through OECD initiatives such as the African Union Commission (AUC)-OECD African Virtual Investment Platform (AfVIP), as well as through the OECD-hosted Paris Pact for People and Planet (4P) Joint Working Committee.

5. Investment in sustainable infrastructure is needed in both OECD and non-OECD Members. It constitutes a critical pathway toward a fair and inclusive transition to net-zero, while strengthening resilience to the impacts of climate change that are already locked-in, and addressing biodiversity loss and pollution. As the various stages of the infrastructure life cycle are estimated to account for 79% of total greenhouse gas emissions (GHG),⁷ an unprecedented

¹ Throughout this document, the term "infrastructure" refers to different components of economic and social infrastructure outlined in: OECD (2021), *Defining Infrastructure*, pp. 11-13, SDD/CSSP/WPNA(2021)1/REV1.

² Global Infrastructure Hub & Oxford Economics (2017), *Global Infrastructure Outlook. Infrastructure investment needs, 50 countries, 7 sectors to 2040*, <https://outlook.gihub.org/>.

³ OECD/ACET (2020), *Quality Infrastructure in 21st Century Africa: Prioritising, Accelerating and Scaling Up in the Context of PIDA (2021-30)*. Regional integration initiatives in Africa such as the Regional Economic Communities (REC) and the African Continental Free Trade Area (AfCTA) could also play an important role in driving infrastructure demand in the continent.

⁴ IDB (2021) *The Infrastructure Gap in Latin America and the Caribbean: Investment Needed Through 2030 to Meet the Sustainable Development Goals*.

⁵ OECD/ACET (2020), *Quality Infrastructure in 21st Century Africa: Prioritising, Accelerating and Scaling Up in the Context of PIDA (2021-30)*.

⁶ IMF (2020), *Well spent: How strong infrastructure governance can end waste in public investment*.

⁷ These stages include the emissions embodied in infrastructure construction materials such as cement and steel; the energy required to transport materials and workers to building sites (sometimes from other parts of the world); operation of the asset itself;

transition, upgrading and adaptation of existing infrastructure systems is needed. This transformation could help drive improvements in the quality of future investments in infrastructure, limiting disruptions and their associated social and economic costs – in light of climate variability and extreme climate events and addressing pressures of infrastructure development on biodiversity loss. Sub-national governments will have a key role in addressing these transitions, accounting for 60% of public investment in infrastructure in G20 members and managing many local infrastructure assets.⁸

6. At a time of growing pressure on government budgets, public investment cannot bridge the infrastructure investment gap alone. Policymakers are therefore increasingly looking to facilitate infrastructure financing by institutional investors. There is significant room for growth: the OECD analysed USD 10.6 trillion of investment holdings by large private and public pension funds in 2021 and found that investments in infrastructure (in the form of unlisted equity, listed equity and debt) represented only USD 211.8 billion or 2% of total assets under management.⁹ Pension funds also report low levels of investment in emerging markets and most institutional investments remaining in home or regional markets.¹⁰ In response to this, there has been a strong push to develop infrastructure as an asset class,¹¹ and enable more institutional investment to take place.

7. In parallel, there has been a growing recognition that it is not just the amount of infrastructure investment that counts, but also the quality of that investment. The Paris Agreement (2015) and the G7 Ise-Shima Principles for Promoting Quality Infrastructure Investment (2016) recognise the need to increase the economic efficiency of infrastructure assets over their lifespan, while integrating social and environmental considerations, including building resilient infrastructure compatible with a net-zero emission future. These policy priorities were also set out in the [G20 Principles for Quality Infrastructure Investment](#) (QII Principles), developed with the support of the OECD in 2019, which have been recognised internationally. The QII Principles reflect the need to integrate environmental, social and governance considerations in the development and operations of infrastructure, including women's economic empowerment, responsible business conduct, fiscal and financial transparency - both with respect to project-level and macro-level debts, preserving the sustainability of public finances, raising economic efficiency in view of life-cycle costs and building resilience against natural disasters and other risks, including human-made risks.¹² As a result, a number of initiatives and tools are being advanced at the international level to promote the development of quality and sustainable infrastructure (see Box 1).

and finally, the use of equipment required for its maintenance and eventual decommissioning. See Thacker S, Adshead D, Fantini C, Palmer R, Ghosal R, Adeoti T, Morgan G, Stratton-Short S. (2021). *Infrastructure for climate action*. UNOPS, Copenhagen, Denmark, https://content.unops.org/publications/Infrastructure-for-climate-action_EN.pdf.

⁸ OECD (2019), *OECD Regional Outlook 2019: Leveraging Megatrends for Cities and Rural Areas*, OECD Publishing, Paris. <https://doi.org/10.1787/9789264312838-en>.

⁹ OECD (2022), *Long-term investing of large pension funds and public pension reserve funds*, OECD Publishing, Paris, pp. 5 & 29. <https://doi.org/10.1787/809eff56-en>.

¹⁰ Ibid.

¹¹ Paragraph 10 of G20 Buenos Aires Leaders' Declaration: Building Consensus for Fair and Sustainable Development (2018): http://www.g20.utoronto.ca/2018/buenos_aires_leaders_declaration.pdf

¹² Paragraph 13 of G20 Osaka Leaders' Declaration: (2019) https://www.mofa.go.jp/policy/economy/g20_summit/osaka19/en/documents/final_g20_osaka_leaders_declaration.html.

Box 1. Examples of non-OECD multilateral initiatives and tools to promote the development of quality and sustainable infrastructure highlighted by OECD Members*

- [Partnership for Global Infrastructure Investment \(G7\)](#)
- [Global Gateway Strategy](#)
- [Global Infrastructure Facility](#)
- [Multilateral Development Banks – Infrastructure Cooperation Platform](#)
- [Global Emerging Markets Risk Database \(GEMs\)](#)
- [UNEP Sustainable Infrastructure Partnership](#)
- [FAST-Infra Sustainable Infrastructure Label](#)
- [Blue Dot Network**](#)
- [PIDA Quality Label of the African Union](#)
- [SOURCE](#)
- [Private Infrastructure Development Group \(PIDG\)](#)
- [PPP Fiscal Risk Assessment Model \(PFRAM\)](#)
- [Debt Management and Financial Analysis System](#)

*The HLA would also seek to enhance collaboration with these initiatives through information exchange and cross-participation to support the sharing of good practices.

** The BDN aims to build on existing international standards and frameworks, including OECD standards and initiatives, that are relevant for quality infrastructure investment and operationalise the G20 Principles for Quality Infrastructure Investment (QII) at the project level, while ensuring coherence with other standards and initiatives.

8. Policy makers are increasingly recognising the role of sustainable investment strategies and environmental, social and governance (ESG) objectives in ensuring quality infrastructure investment. However, challenges remain to better integrate ESG approaches into investment decisions, including through more granular, consistent and comparable ESG information at the infrastructure project level. In addition, sustainable investment will require information on how infrastructure assets can be made more resilient against natural disasters over their lifespan.

9. In cooperation with other multilateral institutions and seeking complementarity with existing initiatives and tools (see Box 1) through exchange of information and good practices, the OECD can play an important role in helping policymakers attract further private infrastructure investment and improve the alignment of infrastructure investments with the QII Principles. The Organisation could support policymakers in the following areas: (i) strengthening the governance, policy and regulatory frameworks that enable investments in infrastructure to ensure a level playing field and proper risk management, value for money, transparency in relation to the potential impact of infrastructure investments on fiscal sustainability, and green and sustainable projects that better respond to the demands of investors; (ii) setting up sound infrastructure decision-making and coordination mechanisms to ensure that investments at all levels of government are well-targeted and consistent with climate goals and debt sustainability; and (iii) supporting more consistent production and collection of project-level data on costs and benefits, including environmental, social, fiscal and governance risks as well as the collection of infrastructure data in national accounts, including with regards to public debt. This would go hand-in-hand with OECD policy guidance on the use of blended finance interventions, financial guarantees and infrastructure procurement strategies to de-risk investments and mobilise institutional investors as well as additional commercial finance.¹³

¹³ OECD (2022), Blended Finance Guidance for Clean Energy and OECD (2020) and OECD DAC Blended Finance Guidance, available here: <https://www.oecd.org/dac/financing-sustainable-development/blended-finance-principles/guidance-and-principles/>

The OECD's contribution so far

10. OECD work on infrastructure is distributed across the Programme of Work by sectors (telecommunications, transportation, energy, water) and by policy areas (sustainable infrastructure, infrastructure financing including at the sub-national level, infrastructure governance and development). The role of infrastructure in achieving environmental goals (biodiversity conservation, climate mitigation, resilience to natural disasters) is also central to OECD work.

11. These streams of work are developed and managed by the responsible directorate. Internally, coordination is carried out through an inter-directorate infrastructure group which meets on a quarterly basis at the working level. Externally, the Infrastructure Platform,¹⁴ launched in 2022, brings together and presents the infrastructure work across the OECD on a single website. These various infrastructure workstreams at the OECD will continue to feed into and inform discussions at the annual OECD Infrastructure Forum, which is becoming a key driver of the international infrastructure policy agenda.

12. The OECD has also supported global policy coherence in relation to the QII Principles by bringing together individual directorate-level contributions to produce whole-of-OECD outputs as part of its 2019-20 Horizontal Project on Sustainable Infrastructure,¹⁵ as well as through the adoption by the Council of relevant OECD standards such as the OECD Recommendation on the Governance of Infrastructure [[OECD/LEGAL/0460](#)], the OECD Recommendation on Effective Public Investment Across Levels of Government [[OECD/LEGAL/0402](#)] and the OECD Recommendation on Principles for Private Sector Participation in Infrastructure [[OECD/LEGAL/0349](#)].

13. Through its above-mentioned annual Infrastructure Forum and the G20 Infrastructure Investors' Dialogue, the Organisation has used its convening power to support dialogue among decision-makers, practitioners, developers, and investors on how to respond to key infrastructure investment and outcome challenges. OECD reviews have provided guidance on overall systems for the prioritisation and management of public investment in infrastructure, the inclusion of environmental and climate resilience priorities in planning and investment, on policy actions to attract infrastructure investment from the private sector or at the sub-national level, including the use of de-risking instruments, and support for the procurement, delivery and management of large infrastructure projects. Infrastructure related work is also well reflected in the OECD's external engagement, including in country and regional programmes.

14. The OECD has also been a key contributor to G7 and G20 discussions on quality infrastructure investment and has helped advance specific agendas and outcomes in these and other fora in areas such as low-carbon and climate resilient infrastructure, infrastructure resilience and maintenance, infrastructure and transition finance, infrastructure investment at the subnational level,¹⁶ mainstreaming gender in infrastructure,¹⁷ ESG in infrastructure, social infrastructure, and

¹⁴ <https://www.oecd.org/finance/infrastructure/>

¹⁵ See C(2020)119. These deliverables include the [OECD Compendium of Policy Good Practices for Quality Infrastructure Investment](#) (2020) and the [OECD Implementation Handbook for Quality Infrastructure Investment](#) (2021).

¹⁶ OECD (2022), G20-OECD Policy Toolkit to Mobilise Funding and Financing for Inclusive and Quality Infrastructure Investment in Regions and Cities, OECD Publishing, Paris, <https://doi.org/10.1787/99169ac9-en>, prepared under the Indonesian Presidency and OECD (2023, forthcoming), Financing Cities of Tomorrow, prepared under the Indian G20 Presidency.

¹⁷ OECD (2021), "Women in infrastructure: Selected stocktaking of good practices for inclusion of women in infrastructure", OECD Public Governance Policy Papers, No. 07, OECD Publishing, Paris, <https://doi.org/10.1787/9eab66a8-en>.

communication infrastructure.¹⁸ The OECD has supported discussions on improving infrastructure data collection in the G20, including through the G20 Infrastructure Data Initiative, and by developing its own infrastructure datasets. Through the OECD Global Anti-Corruption & Integrity Forum, the OECD has also contributed to a better understanding of corruption risk in infrastructure, creating opportunities to discuss main potential policy solutions. The OECD has worked towards the development of multi-stakeholder approaches like the Infrastructure Anti-Corruption Toolbox (I ACT) to empower actors across the infrastructure value chain to prevent, detect and report corruption and support a level playing field for businesses.

15. That said, OECD work on infrastructure has not previously been prioritised for significant Part I funding and remains underdeveloped in a number of areas. In addition, there is a real need to improve the coherence and strengthen the joint value of infrastructure work across relevant parts of the Organisation in order to step up dialogue with external partners and initiatives; better support implementation of the QII Principles and the SDGs; and enable implementation-oriented guidance on infrastructure that can respond to the growing needs of both OECD Members and non-Members.

A high-level approach to enhance and better integrate OECD work on infrastructure

16. The value-added and strength of the OECD committee-driven work on infrastructure relies on the OECD's role as an evidence-based standard-setter, on its convening power and on its ability to foster and facilitate dialogue among Members, non-Members and other relevant stakeholders. OECD policy communities, combined with OECD standard-setting methods which include implementation support for relevant OECD Recommendations, provide the Organisation with access to an evidence base and good practices that is unparalleled at the international level.

17. Building on those elements, the OECD is well-positioned to provide countries with policy guidance and tools for boosting the overall level and delivery of quality and sustainable infrastructure investment, both domestically and at the international level. This includes the ability to foster alignment between internationally recognised principles and in-country prioritisation and decision-making processes, and support capacity building across countries.

18. The Organisation's multi-disciplinary, multi-sectoral, multi-stakeholder, evidence-and consensus-based approach to analysis and policy advice means that it can help set a coherent reform agenda and serve as a platform for dialogue and a point of reference for international, regional, national, and local infrastructure policy initiatives. The OECD's policy perspective is complementary to that of other key actors, notably Multilateral Development Banks, who are also engaged in lending activities for infrastructure projects.

19. To continue building a strong foundation for OECD work on infrastructure for the future, the OECD will develop a more integrated work programme on infrastructure across the relevant committees, fully consistent with the existing Programme of Work and Budget (PWB), and building on the Horizontal Project on Strategic Policies on Sustainable Infrastructure (2019-2020). This will include:

¹⁸ As providers of essential network services, communication infrastructure underpins economic and social activity, and can promote broader economic and social resilience. In this regard, the OECD (STI & DAF) has supported the agenda of the G20 on fostering the development and the financing of broadband infrastructure, see for instance, under Italy's G20 chairmanship, the [G20 Guidelines for Financing and Fostering High-Quality Broadband Connectivity for a Digital World \(2021\) developed with support of the OECD](#).

- Strengthening, broadening, deepening and better articulating the **whole-of-OECD offering on infrastructure** to Members as well as non-Members at various levels of intervention (standards, analysis and policy recommendations, support for project development, data collection, stakeholder engagement, etc.) which could be particularly useful for developing countries.¹⁹ This will involve ongoing close coordination and the harnessing of synergies within OECD work on infrastructure in order to reduce fragmentation and refine the Organisation's value proposition in this area, considering the appropriate inclusion of infrastructure issues in OECD reports such as Economic Surveys. Concretely, those efforts will build on the recently-established **OECD Infrastructure Platform**, increase the impact and visibility of the **OECD annual Infrastructure Forum**, and better integrate infrastructure investment considerations into OECD macro-economic policy monitoring and surveillance.
- Conducting country or region-specific **Infrastructure Policy Reviews** – for instance on Ukraine – tailored to a country or region's infrastructure-related priorities, challenges and needs by mobilising expertise from across relevant directorates. These reviews – open to both Members and non-Members – would include actionable policy recommendations on relevant country- or region-specific issues such as financing and funding models for infrastructure and related debt and fiscal sustainability issues, including impacts of possible contingent liabilities on public finance; addressing the coordination issues around infrastructure, including multi-level governance; and providing a more comprehensive policy approach covering both the life cycle of infrastructure assets and all levels of government. Infrastructure Policy Reviews could be particularly useful to developing countries, which could benefit from an independent review to assist with the development and maintenance of their infrastructure assets. These reviews could also help underscore the contribution of infrastructure investment to achieving sustainable economic, social, and environmental objectives and support broader engagement with non-Members through OECD country and regional programmes, partnerships and networks. The evidence gathered through these in-depth reviews could also support the development of the OECD's knowledge base of good practices of sustainable infrastructure policy and development, which would contribute to advance capacity building for developing countries in Africa and other emerging regions.
- Guiding **OECD support to relevant multilateral initiatives and tools on infrastructure** (see Box 1) and strengthening the OECD's value-added in G20 discussions on infrastructure, particularly taking into account the scope of work and governance of other entities that regularly engage with the G20 such as the Global Infrastructure Facility, the IMF and multilateral development banks. The OECD could also support greater coherence and transparency of infrastructure project data, providing investors with the information they need to understand and invest in infrastructure projects around the world. The OECD could also work towards strengthening the environmental integrity of initiatives seeking to certify quality infrastructure investments.

20. The work programme will build on the following five existing pillars of the OECD's infrastructure work (Figure 1):

¹⁹ OECD regional and country programmes as well as platforms and networks, including those from the Development Centre, will be leveraged to engage with stakeholders in developing countries. The initiative will also integrate relevant OECD standards on export credits outlined in Figure 1.

Figure 1. Five pillars of OECD work on infrastructure

POLICY FRAMEWORK FOR INFRASTRUCTURE DEVELOPMENT				
Governance	Mobilising Finance in Infrastructure	Regions, Cities and Multi-level Decision Making	Sustainability	Connectivity
<p>OECD Recommendation on the Governance of Infrastructure</p> <p>OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions & OECD Recommendation for Further Combating Bribery of Foreign Public Officials in International Business Transactions</p> <p>OECD Recommendation on Bribery and Officially Supported Export Credits</p> <p>OECD Recommendation on Public Procurement</p> <p>OECD Recommendation on Principles for Public Governance of Public-Private Partnerships</p>	<p>OECD Recommendation on Principles for Private Sector Participation in Infrastructure</p> <p>OECD Recommendation on Building Financial Resilience to Disaster Risks</p> <p>OECD Recommendation on the Policy Framework for Investment</p> <p>OECD DAC Blended Finance Principles</p> <p>G20/OECD HLPs on Long-Term Investment Financing by Institutional Investors</p> <p>Arrangement on Officially Supported Export Credits</p>	<p>OECD Recommendation on Effective Public Investment Across Levels of Government</p> <p>OECD Recommendation on Regional Development Policy</p>	<p>OECD Recommendation on the Assessment of Projects, Plans and Programmes with Significant Impact on the Environment</p> <p>OECD Guidelines for Multinational Enterprises</p> <p>OECD Recommendation on the Due Diligence Guidance for RBC</p> <p>OECD Recommendation on the Role of Government in Promoting RBC</p> <p>OECD Recommendation on Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence</p> <p>OECD Recommendation on Sustainable Lending Practices and Officially Supported Export Credits</p>	<p>OECD Recommendation on Broadband Connectivity</p> <p>OECD Recommendation on Digital Security of Critical Activities</p>
Relevant policy toolkits				
<p>OECD Policy Toolkit on Governance of Critical Infrastructure Resilience</p> <p>OECD Infrastructure Governance Toolkit</p> <p>Going Green: Best Practices for Sustainable Procurement</p>	<p>G20-OECD Policy Toolkit to Mobilise Funding and Financing for Inclusive and Quality Infrastructure Investment in Regions and Cities</p> <p>OECD DAC Blended Finance Guidance</p>	<p>Effective Public Investment Across Levels of Government Toolkit</p>	<p>OECD Policy Guidance for Investment in Clean Energy Infrastructure</p> <p>Financing Climate Futures: Rethinking Infrastructure</p> <p>Private Sector Participation in Water Infrastructure: OECD Checklist for Public Action</p> <p>OECD Well-being Framework</p> <p>RBC Due Diligence for Project and Asset Finance Transactions</p>	<p>G20 Guidelines for Financing and Fostering High-Quality Broadband Connectivity for a Digital World</p> <p>Broadband Policies for Latin America and the Caribbean. A Digital Economy Toolkit</p>

Building the foundations for a second phase

21. The development of a horizontal integrated work programme could then provide the basis for a more ambitious workplan for consideration by Members in the next PWB cycle. Actions that could be incorporated into a second phase include:

- Development of an integrated **OECD Policy Framework for Infrastructure Development** – building on the outcomes of the 2019-2020 Horizontal Project on Sustainable Infrastructure – to provide a clear framing for the OECD’s value-added in this area, bring together OECD standards relevant for infrastructure and offer a tool for their dissemination and implementation. By examining good practice and needs emerging from country reviews and analysis, the Policy Framework could identify gaps and strengthen the coherence of policy guidance.
- An **Infrastructure Implementation Toolkit** including a suite of tools and case studies at the central and subnational levels, drawing on infrastructure work across the OECD, and presented in a standardised and easily accessible format. The toolkit would seek to reinforce and complement existing international initiatives and tools (see Box 1).
- **Foundational work for better infrastructure data collection** at all levels of government as well as more project-level and private sector data to strengthen the OECD’s empirical, analytical and quantitative work on infrastructure, including on key dimensions of quality infrastructure (climate, sustainability, resilience, good governance and transparency, etc.). This could include more consistent classifications and concepts around infrastructure in the national account²⁰ and at the project level which could in turn lead to better quality and more consistent data to guide investment decisions into infrastructure.
- An annual whole-of-OECD **infrastructure publication** which could be entitled “Infrastructure at a Glance” or “Infrastructure Now”. The first edition of such a publication could be associated with the next OECD Infrastructure Forum taking place in April 2024, which will focus on the theme of climate resilience. To support the development of such a joint, whole-of-OECD infrastructure publication, an editorial board has been formed to ensure a consistent narrative.

22. Some of these actions are already being advanced, with relevant toolkits being developed by a number of OECD bodies, a joint infrastructure publication being piloted leveraging existing work, and an annual Forum taking place since 2022. However, coordinated aspects of the second phase will require clear recognition in the coming PWBs of relevant bodies, as well as allocation of resources to support the coordination of this horizontal approach.²¹

²⁰ Building on lessons and existing practices from OECD members and the EU, for instance the EU’s work on national accounts for PPPs and concessions.

²¹ Consultation on the high-level approach (HLA) was carried out with the following OECD bodies: Investment Committee (IC)/ Working Party on Responsible Business Conduct (WPRBC), Committee on Financial Markets (CMF), Insurance and Private Pensions Committee (IPPC), Public Governance Committee (PGC), Committee of Senior Budget Officials (SB0), Working Party of the Leading Practitioners on Public Procurement (LPP), Network of Senior Infrastructure and Public-Private Partnership Officials (SIP), Working Party on Financial Management and Reporting (FMR), Economic Policy Committee (EPC), Development Assistance Committee (DAC), Environment Policy Committee (EPOC), Regional Development Policy Committee (RDPC), External Relations Committee (ERC), Governing Board of the Development Centre, and Working Party on Export Credits and Credit Guarantees (ECG).

Collaboration and Partnerships

23. The newly-approved Blue Dot Network (BDN) Secretariat to be hosted at the OECD provides a framework for the certification of infrastructure projects in line with the G20 Principles on Quality Infrastructure Investment. The BDN Secretariat will inform relevant OECD committees and bodies on lessons learned regarding their instruments in order to identify lessons learned for OECD infrastructure work. The Paris Pact for People and Planet (4P) Joint Working Committee, also hosted at the OECD, could also work closely with the OECD to exchange information and knowledge on work on infrastructure for cross fertilisation of good practices and private sector engagement. The OECD's collaboration with the International Energy Agency (IEA) enables it to draw on IEA expertise regarding energy infrastructure and to integrate this expertise into analysis of infrastructure investment and development. A similar approach applies with regard to the work of the Nuclear Energy Agency (NEA) for analysis on nuclear energy infrastructure as relevant. Similarly, the expertise of the International Transport Forum (ITF) facilitates analysis of the important role that transport infrastructure plays in economies and societies. The collaboration with these entities for the development and implementation of the OECD High-Level Approach would ensure the Approach is more relevant and comprehensive. The OECD will also engage with the Trade Union Advisory Committee (TUAC) and Business at OECD (BIAC) as the initiative develops to ensure that perspectives from trade unions and businesses are adequately reflected.

24. A whole-of-OECD approach to infrastructure would also enable stronger collaboration with various multilateral initiatives to promote the development of quality and sustainable infrastructure (see Box 1) by reinforcing complementarities and harnessing the OECD's multi-sectorial analytical capacity and evidence-based approach to policy advice.

Oversight and Governance

25. Throughout the development of the approach, the Secretariat will consult to ensure that the initiative receives and reflects feedback from all relevant stakeholders.²² In particular, a more active whole-of-OECD approach to infrastructure will and should be Member-driven, with engagement and consultation through the committee process and Council, and taking account of the discussions within the Governing Board of the Development Centre and the new Friends of Infrastructure Group.

26. Envisaged consultation groups include the following:

Friends of Infrastructure Group

- Following the three meetings of the Friends of Infrastructure Group – co-chaired by France and the United States – in May and November 2023 and in February 2024 to discuss the

²² Identification of stakeholders will be relevant when work on a Policy Framework for Infrastructure Development moves ahead, as well as for the development of country specific Infrastructure Policy Reviews. For both of these exercises, the Secretariat will need to identify in advance the key stakeholders which have a role in the infrastructure policy ecosystem. This will be kept as a key policy consideration as the work on the Policy Framework and Infrastructure Policy Reviews moves forward. As the second phase develops, some description of potential relevant stakeholders could be included as reference (as each stakeholder is likely to have some country specificity).

High-Level Approach, the Secretariat will continue to consult interested OECD Members through this group to gather their perspectives on scope and focus.

Committee consultation process

- Consultation will take place at each juncture with OECD bodies that were already consulted on the high-level approach (HLA)²³, as well as with the relevant OECD body in terms of the development or revision of standards/legal instruments or Infrastructure Policy Reviews.

Secretariat Inter-directorate Steering Group

- The strategy to advance an integrated OECD approach to infrastructure development would be overseen by a steering group chaired at the Deputy-Secretary General level and involving directors and/or deputy directors of relevant OECD directorates.²⁴ It would be operationally led by DAF and GOV.
- The steering group could meet quarterly to ensure the HLA is being implemented in accordance to Member feedback and input. The existing inter-directorate infrastructure group would support the steering group at a working level.

External Advisory Group

- Once work on the integrated approach is advanced, and as part of a second phase, the OECD could also seek to convene an informal external advisory group which could provide advice and guidance on the suite of policy tools that would be put forward as part of the Policy Framework for Infrastructure Development.

Funding

27. The development of the different components of the horizontal integrated work programme, notably in the second phase of the project, is contingent on the availability of funding, as most elements are not part of the current PWB. The initiatives described under paragraph 19 – with the exception of the Infrastructure Policy Reviews – would have more limited budgetary requirements since they would build on existing initiatives. The Infrastructure Policy Reviews would be demand-driven and would require specific financing through voluntary contributions. Additional financing would also be required to undertake the work described in the second phase. The core outputs of the second phase would be the OECD Policy Framework for Infrastructure Development as well as the Infrastructure Implementation Toolkit.

²³ See footnote 21 for full list of OECD bodies consulted for HLA, although the OECD bodies that could advise on phase 2 could be broader.

²⁴ This has so far included ENV, CFE, DCD, STI, DEV, ITF, TAD but could include other directorates as relevant.