



**G7 Transport Ministers' Meeting
in Karuizawa, Nagano**

**G7 Transport Ministers' Meeting Declaration
Karuizawa, Nagano, Japan
September 24th, 2016**

**Basic Strategy for Developing New Transport Infrastructure
and Renovating Aging and Deteriorated Transport Infrastructure**

Transport infrastructure provides a long-term basis for growth, prosperity and employment. It broadly supports the quality of people's lives and it enhances their socio-economic activity.

We, the G7 Ministers of Transport and European Commissioner for Transport, confirm that the “G7 Ise-Shima Principles for Promoting Quality Infrastructure Investment” endorsed at G7 Ise-Shima Summit, provides sound guiding principles for investment in transport infrastructure. In doing so, we recognize that quality transport infrastructure is necessary to promote strong, sustainable and balanced growth and resilience in our societies.

Investment in transport infrastructure is necessary for both new infrastructure development projects and maintenance of existing infrastructure.

With regard to new projects, we recognize the importance of planned, continuous and sufficient future investment focusing on so-called “stock effects”, including improved safety, disaster risk reduction impacts, better environmental performance, more sustainable transport and mid- to long-term positive impacts on economic growth, while increasing private investment, tourism and employment. We also recognize the importance of properly understanding the diversified and mid- to long-term stock effects on the economy, the environment and the society to lead to further improvements in transport infrastructure.

With regard to investment in the maintenance of existing transport infrastructure, we further confirm the importance of planning and implementing preventive maintenance based on mid- to long-term investment plans, in order to extend the operational life of current infrastructure, to defer replacement costs and to ensure capacity to invest in new projects. In addition, we encourage the introduction and development of new technologies that can help to optimize the cost of required maintenance. We also agree to share knowledge of those efforts. We further confirm the importance of encouraging

preventive maintenance in the budgeting process for publicly funded projects, and by offering incentives, where appropriate.

With regard to the financial source of transport infrastructure investment, we confirm that governments and public entities should take aging and deteriorated transport infrastructure into consideration, and secure adequate and sufficient fiscal resources on a mid- to long-term basis. We encourage the development and deployment of innovative financing tools including public-private partnerships (PPPs) and, where consistent with jurisdictional policy and law, “user pay” systems.

With regard to the use of innovative financing tools including PPPs, we agree to share best practices and lessons learned, including effective means of enhancing public understanding of PPPs and “user pay” systems as alternative financing solutions, and other innovative financial schemes for transport project.

We confirm the validity of the Ise-Shima Principles for Promoting Quality Infrastructure Investment in the transport sector, in particular that joint efforts of G7 members to strengthen the enabling investment environment, as well as to enhance due process, including streamlining procedures for cross-border projects, and transparency are essential to facilitate project implementation and ensure clear predictability of revenue streams.

We share the view that, in investing in and using transport infrastructure, importance must be given to improving productivity by promoting efficient measures to deal with traffic congestion, improving logistical efficiency, enhancing accessibility and using innovative technologies, such as Information and Communications Technology (ICT) and automation across all modes of transport. This could lead to strong, sustainable and balanced economic growth.

Specifically, we confirm that importance must be given to encouraging the use of innovative technologies for smart use of existing transport infrastructure to maximize the positive impact of investment in transport infrastructure. We concur that infrastructure productivity can be notably enhanced by using ICT technology in all phases of infrastructure development, including planning, surveying, design, construction, operation, inspection, maintenance, and asset replacement. ICT should also be used to enhance the sustainability and resilience of transport infrastructure.

It is important to promote the deployment of quality transport infrastructure in every country worldwide to support economic growth for all the countries concerned. We share the view that it is essential to promote transport infrastructure investments that lead to increased economic efficiency in terms of life-cycle cost, and that contribute to job creation, capacity building and transfer of expertise and know-how for local communities in accordance with “G7 Ise-Shima Principles for Promoting Quality Infrastructure Investment” endorsed at G7 Ise-Shima Summit. We also agree to promote women’s active roles in transport infrastructure development as well as in the transport sector in general, on the basis of the G7 Ise-Shima Leaders’ Declaration.

We welcome the intention of forthcoming Italian Presidency of the G7 to convene a Transport Ministers’ Meeting in 2017.