GFCC

Global Federation of
Competitiveness Councils

Competitiveness and Value Creation through Infrastructure

Based upon the GFCC Foundational Global Competitiveness Principles

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The Global Federation of Competitiveness Councils (GFCC) is a network of leaders from competitiveness organizations around the world. The GFCC believes that acting globally is now a prerequisite to economic competitiveness nationally.

Competitiveness and Value Creation through Infrastructure

The Global Federation of Competitiveness Councils (GFCC) is pleased to present a set of principles to support **Competitiveness and Value Creation through Infrastructure**.

Since its inception, the GFCC has consistently updated and refocused its foundational Global Competitiveness Principles to adapt to critical productivity and prosperity challenges facing GFCC members. Originally launched in 2010 and endorsed by more than 30 national competitiveness organizations, the Principles offer an overarching framework for national policies and programs aimed at fostering innovation, competitiveness and prosperity in the 21st century global economy.

The Global Competitiveness Principles provide an important framework as countries and regions strive to be competitive, grow their economies and become more prosperous. The Principles emphasize key drivers of competitiveness such as investment in research and development, education and training for all citizens, sustainable and responsible development of natural resources, strong intellectual property rights, open trade, and a stable, transparent, efficient and fair environment for business investment, formation and growth.

Building upon the foundational Principles, this year's GFCC theme of **Competitiveness and Value Creation through Infrastructure** sets forth policies to strengthen countries' abilities to compete and attract investment by putting in place both the hard infrastructure—ports, roads, rails, airports, broadband—and soft infrastructure that will attract investment, catalyze value creation, support economic growth and promote quality of life.

With the goals of knowledge sharing and cooperation in mind, the GFCC envisions these Principles will help bring about new policies that support infrastructure development, productivity and prosperity across the globe.

Charles O. Holliday, Jr.
Chairman
Global Federation of Competitiveness Councils

1. **Promote and leverage public-private partnerships and co-investment.**
2. **Embed innovation solutions and next generation capacity in infrastructure projects.**
3. **Foster the creation of new knowledge and advanced technologies and the development of high skilled talent through infrastructure projects.**
4. **Accelerate infrastructure projects by engaging and coordinating across government branches and levels and leveraging private sector assets.**
5. **Establish and enforce legal regimes for the protection and allocation of property rights, and ensure the integrity, security and privacy of critical global infrastructures like telecommunications and cyber.**
6. **Develop livable, safe, healthy and resilient communities.**
7. **Use infrastructure to enable the free flow of goods, capital and people.**
8. **Drive sustainable development through more productive, efficient and environmentally responsible use of natural resources and energy.**
9. **Enable investment and productivity growth through stable economic policies and transparent and cost efficient regulatory environments.**
10. **Benchmark globally and continuously infrastructure investments and best practices.**

Private sector involvement in infrastructure development is critical to meet the vast scope of necessary investments. Governments should not substitute private sector involvement with infrastructure projects, but enable that. Public-private collaboration is a key tool for that to happen and should be extensively utilized.

Investments in infrastructure must connect to and take advantage of innovation and promote value creation. New and disruptive technologies can reduce capital expenditures in infrastructure projects and expand access. At the same time, resources invested in infrastructure can drive innovation, unleash entrepreneurship and lay the foundation for new industries.

The investment in and deployment of new infrastructure holds great potential for domestic job creation and talent development. Infrastructure projects require highly-skilled, well-paid, specialized personnel, whose jobs cannot be easily outsourced. Investments in infrastructure should be coordinated to leverage training and education.

Investments in infrastructure often transcend boundaries between cities, districts, states, and regions. Coordination between government agencies—from the local, to the national and regional—can maximize the impact of investment and streamline processes in infrastructure projects.

Private investment in infrastructure—and the underlying innovation and technology development—will only materialize if a clear set of rules and regulations exists allowing for a reasonable return on investment and protection of assets and intellectual property. Security, privacy and integrity are key for the protection of assets in the telecommunications and cyber domains.

Design approaches can and should be used to make communities more livable by focusing on mobility, vibrant public spaces, social interactions, accessibility, wellness and affordability.

A modern and adaptable infrastructure allows for global trade to prosper and economic integration to take place—at regional and global levels. Benefits from investments in infrastructure can be maximized by access to global capabilities, capital and technology.

Sustainability is a competitive advantage: increased efficiency in the utilization of natural resources must be tied to economic growth. A strong commitment to energy productivity should be enmeshed in infrastructure projects.

Political instability, risk and lack of regulatory clarity have a negative impact on infrastructure investment. Policy, legislative, regulatory, and financial uncertainty not only discourage investment. They also raise business risk and capital costs, and dampen regional business formation and job creation.

Infrastructures should be designed and operated to be globally competitive in cost, quality and speed, delivering services at prices comparable to global benchmarks.

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GFCC FELLOWS

Rogerio Studart
Distinguished Fellow

Kandeh Yumkella
Distinguished Fellow

900 17th Street, NW, Suite 700, Washington, DC 20006
www.thegfcc.org

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