

Session 5. Book Launch

Infrastructure Financing Strategies for Sustainable Development in Asia and the Pacific

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Why this book is important and relevant to the world today?

1. Relating Infrastructure to Sustainable Development:

“None of the United Nations Sustainable Development Goals (SDGs) can be achieved without some direct or indirect input from infrastructure.” (Introduction)

Investment in sustainable infrastructure is a prerequisite for achieving the SDGs (Chapter 3)



How? The answer is PPP

“This book advocates a more sustainable approach to financing infrastructure development. This approach includes the creation of a robust governance structure and conducive enabling environment that leads to a more efficient allocation of public funds.” (Introduction)

Because

“Public spending alone will not be enough to meet the infrastructure needs of most countries, and stress the critical role of private sector participation in infrastructure financing.” (Chapter 2 and 3)

Philosophical View of PPP

Government

Public Goods

Private Sector

Profit Maximization



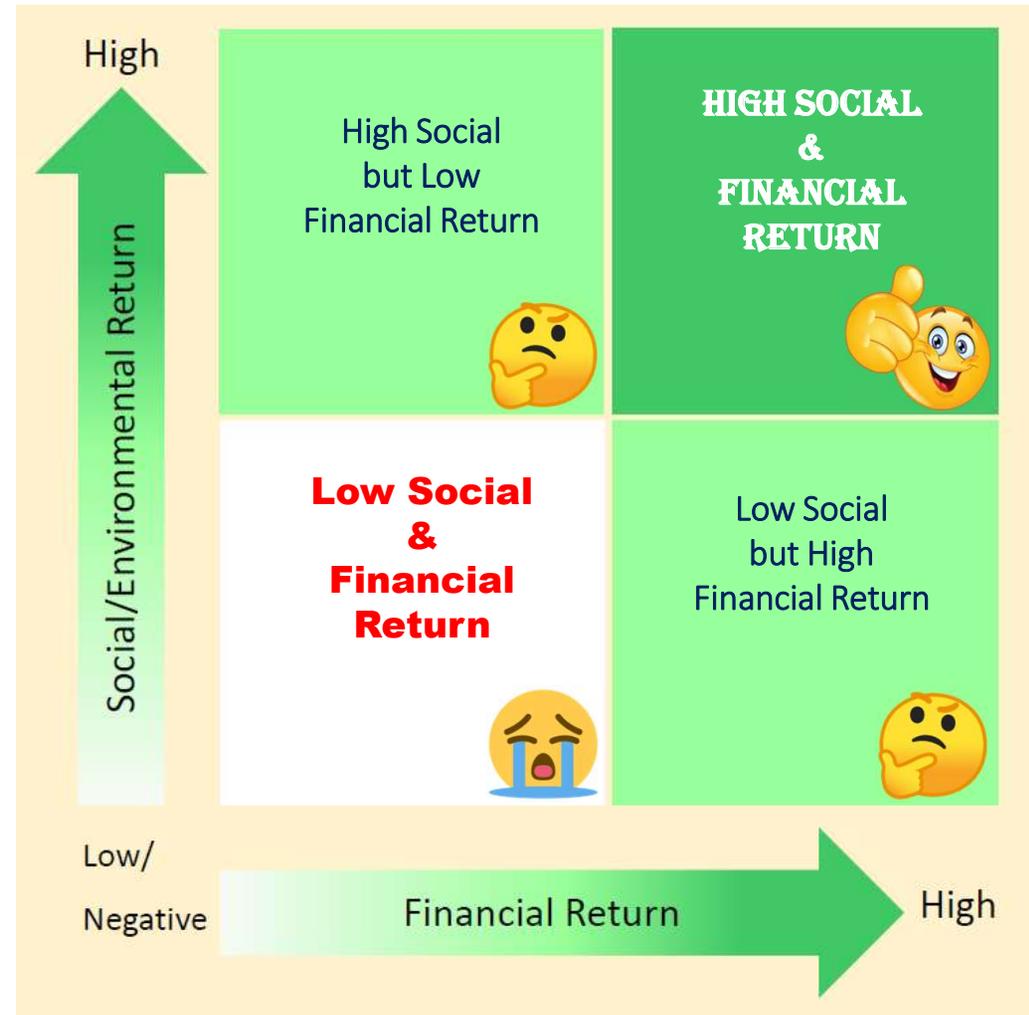
Challenge: how to synchronize the goals for Government and private sector so that they can pursue PPP in an efficient way?

Solution: Sustainable performance to be rewarded by the financial market through ESG rating and subsequent superior social returns and financial returns.



The Key Challenges:

- Quantify Social Return using scientific or systematic KPIs.
- Integrate Social and Financial Return into a composite performance indicator.
- Large scale research to profile ESG preference in terms of utility function is needed to form a scientific database to construct benchmarks related to ESG investments.



Actions:

“China Public Private Partnership Center (CPPPC), initiated an infrastructure financing and public-private partnership (PPP) network in Asia and the Pacific, intended to leverage private sector finance for sustainable infrastructure investment.”

(Chapter 5)

Moderators



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