

Welcome Remark at the Third Meeting of the Infrastructure Financing and PPP Network of Asia and the Pacific

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Distinguished Dr. Hongjoo Hahm, Mr. Nicholas Rosellini, Vice Mayor Xu,
ladies and gentlemen,

Good morning! It is my great pleasure to attend the Third Meeting of the Infrastructure Financing and PPP Network of Asia and the Pacific. On behalf of China PPP Center of Ministry of Finance, I would like to extend a warm welcome to all of you here at Ningbo for this great meeting.

Over the past two years, a series of progress have been made under the PPP Network. In Guiyang, the network has turned from a proposal to a reality, connecting PPP authorities, international organizations and private sectors in 23 member states. In Manila, the member states have reached the consensus on the great significance of establishing the web portal and project pipeline, which would be created to be an open, transparent and efficient information platform. In Ningbo, the PPP network enters a new stage - practical project cooperation. Member states will share more early-stage project information, strengthen connection with private investor and facilitate transactions. I'd like

to take this opportunity to share with you my three points:

First, bring in market mechanism, and stick to openness and cooperation

PPP is more of a concept for project financing in developed countries, where there is a sound legal system and a more mature market. However, in developing countries that do not fully meet the above conditions, PPP is a tool to promote economic transformation and development. From China's experience, PPP is an innovative solution of government-market cooperation, which can not only solve the shortage of infrastructure supply, but also improve its quality and efficiency. PPP is results-oriented and performance-based. By extending market access, breaking monopolies, introducing competition and encouraging innovation, PPP can advance reforms for economic development in terms of quality, efficiency and driving forces. Currently, 5,896 PPP projects in China have come into commercial close, with a total investment of 1.3 trillion USD, which have improved the efficiency by at least 30% in comparison with the traditional procurement model.

We hope that in the process of improving the infrastructure development in the Asia-Pacific region, member states, international institutions, and investors will adhere to the philosophy of cooperative development that is open, inclusive, and jointly built. Following the market principle as well as transparent principle, we will make full use of the two resources——

government and market, or the public and the private, to form a win-win cooperative mechanism based on complementary advantages, and mutual benefits, and create a good investment environment.

Second, build an information platform to facilitate project transactions.

At the Second Meeting in Manila last month, member states have realized the importance of setting up the web portal and project pipeline. From my opinion of view, under the leadership and coordination of UNESCAP, this PPP information platform can play a major role in supporting infrastructure development in following three aspects: **Firstly, information disclosure.** By releasing accurate and complete project information, it will help reduce the cost of obtaining information for private sector, enhance the mutual trust between the public and the private, and stimulate their investment interests. **Secondly, transaction facilitation.** It will build a bridge between the government and investors, connecting multilateral development banks, bilateral institutions and international investors, to facilitate infrastructure projects transactions. **Thirdly, knowledge sharing.** It would share policies and practices of PPP and infrastructure to strengthen capacity building for Asia-Pacific countries.

It is very crucial to establish such an information platform for promoting the infrastructure development in Asia-Pacific countries, and China would like to

provide support and coordination in this regard. We believe that under the leadership of the UNESCAP, through the joint participation of all member states, the information platform and project pipeline can be put into operation soon.

Third, support UN in playing an active role in international affairs to achieve the Sustainable Development Goals.

The UN has been making great efforts to help developing countries promote PPP model and improve their infrastructure. In this July, I joined the 52nd session of the United Nations Commission on International Trade Law in Vienna, in which the *Legislative Guide on PPP* was approved. This Legislative Guide covers PPP practices in different countries, includes value-for-money evaluation and fiscal impact assessment, and set up important examples and standards for the international society.

Over the years, UNESCAP has been providing PPP policy support, enhancing knowledge sharing and strengthening capacity building for Asia-Pacific countries. At least 12 out of the 17 UN 2030 Sustainable Development Goals have a direct link to infrastructure. China will continue to support UNESCAP help member states improve infrastructure and achieve the Sustainable Development Goals.

Ladies and gentlemen, dear friends!

I would like to once again welcome all of you to Ningbo, China! Located in the southeast coast of China, Ningbo has been leading the country in economic and social development. With the improvement of infrastructure and urban management, Ningbo is moving towards a smarter, greener, more innovative and sustainable city. During this two-day event, you will have a chance to see its urban development. Besides, China PPP Center will organize the network reception after today's formal meeting. I wish you can further communicate with investors directly and find project partners.

At last, I wish this meeting a complete success.

Thank you!