

# MAKING INFRASTRUCTURE HAPPEN



Developing Asia requires US\$26 trillion in infrastructure investment through 2030 to maintain its current growth momentum.<sup>1</sup> This works out to be US\$1.7 trillion of infrastructure demand per year.

On the supply side, there is ample private capital available globally to potentially meet this demand, with the value of the global bond market estimated to exceed US\$100 trillion.<sup>2</sup>

However, there remains a vast mismatch between demand and supply. With more than sufficient capacity in the capital markets, the key to Asia's infrastructure development lies in successfully mobilising financing for projects in the region.

**Infrastructure Asia (IA) supports infrastructure financing and development in the region through early project scoping, best practice sharing, deal brokering, and harnessing Singapore's best-in-class infrastructure ecosystem.**

<sup>1</sup> Asian Development Bank (2017), Meeting Asia's Infrastructure Needs.  
<sup>2</sup> World Bank (2016, October 26). Mobilising Investment in Emerging Market Infrastructure. Speech by Arunma Oteh, Vice President and Treasurer, World Bank.

## Infrastructure Asia harnesses the strengths of Singapore's infrastructure ecosystem and development experience to support the region's growth

**SINGAPORE'S STRENGTHS**

 <p>Wide-ranging expertise across the infrastructure value chain</p>	 <p>Deep understanding of the region's opportunities and challenges</p>	 <p>Extensive operational track records in the region</p>
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### Leading financial services hub

- About 60% of project finance transactions in Southeast Asia lead-managed by Singapore-based banks
- Wide range of FX and interest rate risk management solutions catering to infrastructure projects

### Neutral venue for dispute resolution

- Full suite of dispute resolution services, including arbitration, mediation and litigation

### Vibrant asset management ecosystem

- Assets under management were \$3.4 trillion in 2018, with 75% of these funds sourced from global investors
- Community of institutional investors and sovereign wealth funds with keen interest in Asia's infrastructure opportunities

### Comprehensive legal & professional services

- Home to renowned law & accounting firms with strong infrastructure practices and deep regional expertise & experience in Asia

## Global Recognition and Accolades

Singapore is #1 on the IMD World Competitiveness Ranking (2019), and #2 on Edén Strategy Institute's list of Smart City Governments (2018)



**Changi Airport**  
 World's Best Airport for the 7<sup>th</sup> consecutive year at the World Airport Awards (2019)



**Kampung Admiralty Housing Project**  
 World Building of the Year at World Architecture Festival (2018)



**Maritime and Port Authority of Singapore**  
 Top Leading Maritime Capital of the World, Leading Maritime Capitals of the World (2019)



**Tuas Desalination Plant**  
 Desalination Plant of the Year, Global Water Awards (2019)

# How Infrastructure Asia addresses Asia's investment gap for infrastructure



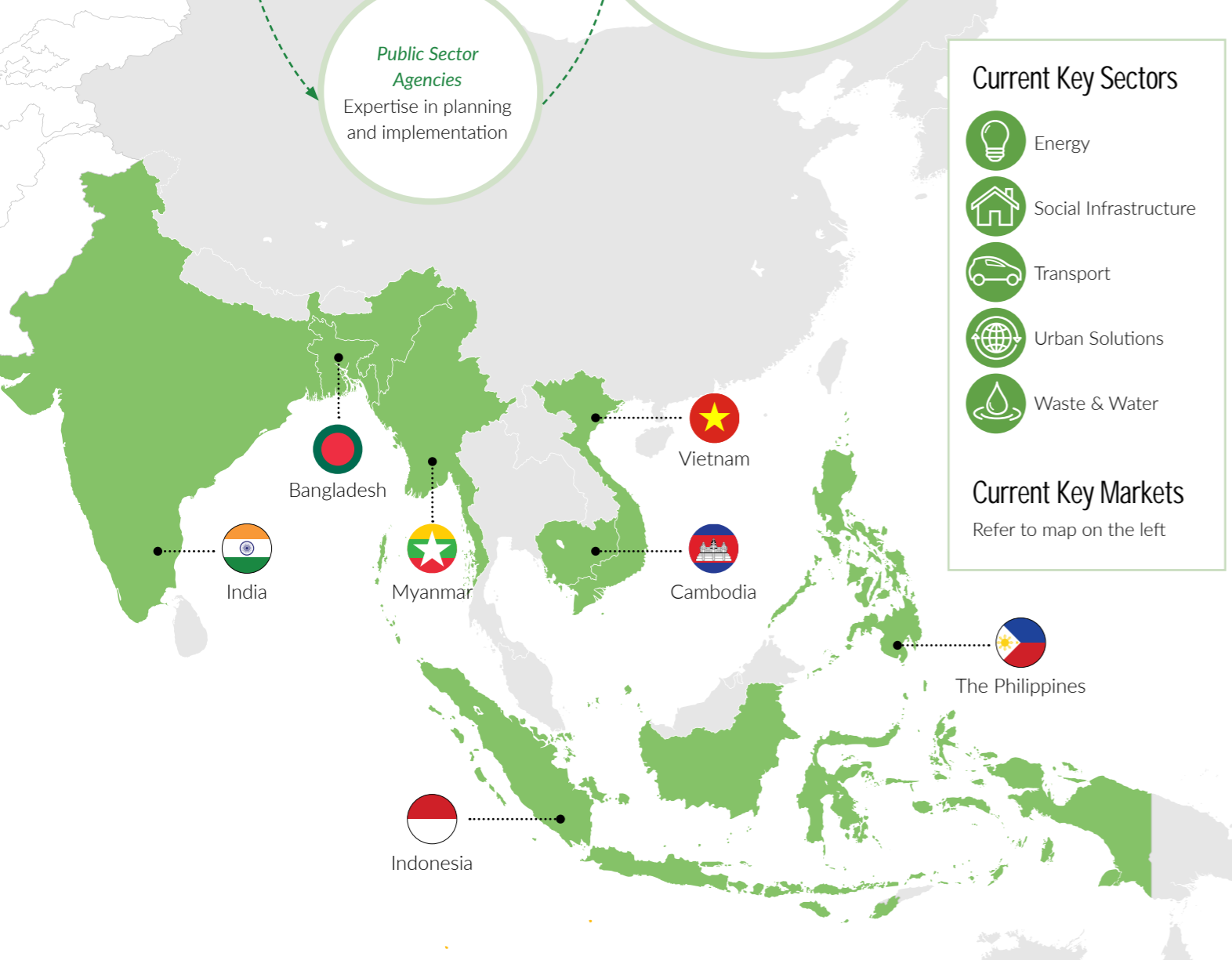
- Curate projects in Asia and connect them with Singapore-based solutions
- Strengthen project implementation capabilities of regional governments through capacity building
- Provide project structuring advice to improve bankability

### Current Key Sectors

- Energy
- Social Infrastructure
- Transport
- Urban Solutions
- Waste & Water

### Current Key Markets

Refer to map on the left



## Infrastructure Asia works with leading infrastructure players across the ecosystem

	EARLY STAGE PROJECT DEVELOPMENT	PROJECT MANAGEMENT & EXECUTION	
Real Economy	<b>Advisian</b> <b>AECOM</b> <b>ARUP</b> <b>aurecon</b> <b>BECA</b> <b>BLACK &amp; VEATCH</b> <b>CISTRI</b> <b>COWI</b> <b>INFRACO ASIA</b> <b>MEINHARDT</b> <b>MSI</b> <b>NIPPON KOEI</b> <b>RAMBOLL</b> <b>SERIS</b> <b>SJ SURBANA JURONG</b>	<b>acciona</b> <b>HEC CHINA HARBOUR</b> <b>中環建環技術 CITIC ENVIRONMENT</b> <b>dp durapower</b> <b>Jera</b> <b>Jurong Port</b> <b>Keppel</b> <b>sembcorp</b> <b>SIEMENS</b> <b>Sinland Development</b> <b>SLNG</b> <b>ST Engineering</b> <b>SUNSEAP</b> <b>TIONGSENG GROUP</b> <b>VENA ENERGY</b> <b>WARTSILA</b> <b>YTC</b>	
	<b>ALLEN &amp; GLEDHILL</b> <b>AON</b> <b>AXA</b> <b>CLIFFORD CHANCE</b> <b>Deloitte</b> <b>DENTONS</b> <b>RODYK</b> <b>DuanMerrill &amp; SEEFAR LLP</b> <b>EY</b> <b>Global Infrastructure Facility</b> <b>KPMG</b> <b>MOODY'S INVESTORS SERVICE</b> <b>MORRISON FOERSTER</b> <b>NORTON ROSE FULBRIGHT</b> <b>pwc</b> <b>RAJAH &amp; TANN ASIA</b> <b>ReedSmith</b> (in alliance with ResourceLaw)	<b>ADB</b> <b>ANZ</b> <b>ARA</b> <b>AiIB</b> (ASIAN INFRASTRUCTURE INVESTMENT BANK) <b>Brookfield</b> <b>CHINA RE</b> (SINGAPORE BRANCH) <b>CLIFFORD CAPITAL</b> <b>DBS</b> <b>DFC</b> (U.S. International Development Finance Corporation) <b>EDC</b> <b>ICBC</b> <b>IFC</b> (International Finance Corporation) <b>INVESTMENT FUND FOR DEVELOPING COUNTRIES</b> <b>ESQUARED CAPITAL</b> <b>JBIC</b> <b>Lionel Hill Capital</b> <b>Maybank</b> <b>MIGA</b> (Multilateral Investment Guarantee Agency) <b>MIZUHO</b> <b>OCBC Bank</b> <b>Partners Group</b> <b>PIERFRONT CAPITAL</b> <b>SGX</b> <b>丝路基金 Silk Road Fund</b> <b>SMBC</b> <b>SOCIETE GENERALE</b> <b>Standard Chartered</b> <b>THE WORLD BANK</b> (IBRD · IDA   WORLD BANK GROUP)	
	DUE DILIGENCE & DEAL STRUCTURING		INVESTMENT AND LENDING & CAPITAL RECYCLING
	Financial Economy		

\*The above is illustrative in nature and non-exhaustive.



## Key Activities

### 1. Improving access to financing across the infrastructure lifecycle

We have identified eight broad sources of financing (refer to Diagram 1). We have partners along the entire spectrum and will activate the relevant solution, tailored to individual project needs.

### 2. Connecting good-fitting solutions to infrastructure demand

We connect good-fitting Singapore-based solutions to regional demand.

### 3. Project structuring

To ensure that projects start off on the right foot, we are involved in early-stage structuring. This ensures that the building blocks of bankability and investibility are put in place.

### 4. Targeted capacity building

We equip regional government officials to crowd in international private sector to projects. We do this by organising seminars, roundtables and training sessions to build capacity in our key markets.

“IA is right at the centre of intense infrastructure activity in the region. It is ably creating great possibilities for the ecosystem of players to cooperate, coordinate and collaborate for efficient and successful project delivery. Standardisation of project documents, capacity development and structuring innovation are ways in which IA can make a difference.

Sharad Somani  
Partner & Head of Infrastructure Advisory,  
ASPAC Head for Power & Utilities, KPMG



Diagram 1: Sources of Financing

### 5. Establishing partnerships

To match the right supply of companies to the region's demands, we are expanding our network of Singapore-based partners across the infrastructure ecosystem. We have engaged over 400 companies and institutions to date, including financiers, developers, advisers, law firms, government agencies and multilaterals.

### 6. Facilitating the sharing of infrastructure knowledge and know-how

We collate and share solutions to current infrastructure pain points. For example, we held the Asia Infrastructure Forum (AIF), a best-in-class platform to showcase infrastructure knowledge and know-how with the industry, in October 2019.

### 7. Teaming up with third-country champions

We welcome partnerships with third-country champions to collaborate on infrastructure development in Asia.

## Facilitating Connections

We hold regular project discussions and networking events for players from across the infrastructure value chain to connect and discuss project opportunities and key issues in the industry.



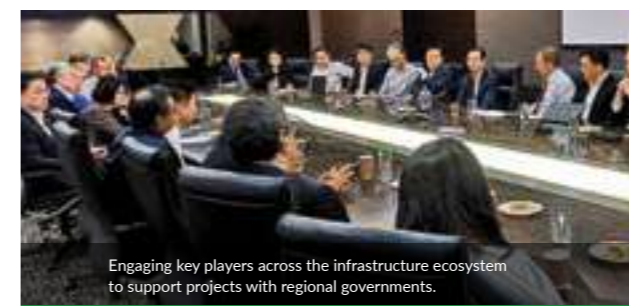
“This forum is a good platform for us, not just to showcase what we've been doing in Asia, but also to network with regional governments and fellow players in the infrastructure financing space, and really think about how we can tackle the challenges and seize opportunities in the fast-evolving infrastructure landscape.

Lim Wee Seng  
Head, Project Finance  
DBS Bank

### Asia Infrastructure Forum

Our annual flagship event, the Asia Infrastructure Forum (AIF), is a best-in-class platform that brings together international developers, financial institutions and multilateral development banks. AIF provides the opportunity for the industry to exchange ideas, broker deals, and share best practices to enable the next generation of infrastructure and a sustainable, resilient future for Asia.

AIF 2019, themed “Partnerships for the Future: Reimagining Infrastructure”, saw more than 900 delegates and senior-level representatives from over 20 countries, with 54 speakers across 10 panel discussions.



Engaging key players across the infrastructure ecosystem to support projects with regional governments.

### Briefing Sessions

IA, through the umbrella of government embassies and associations, regularly briefs both government officials and private organisations about our work and project pipeline. We discuss market trends and opportunities, and explore how interested parties can work together to create more bankable projects.



H.E. Vongsey Vissoth, Permanent Secretary of State, Cambodian Ministry of Economy and Finance, at our networking session on 1 January 2020.

### Networking Sessions

Our regular networking sessions provide a platform for senior representatives in the infrastructure industry and financial players to connect and discuss potential opportunities and areas of collaboration.

## Infrastructure Asia's Memoranda of Understanding (MOUs)



### **CAMBODIA**

#### **Ministry of Economy and Finance (MEF)**

IA and MEF agreed to work together on the preparation and development of a sewage and wastewater treatment plant. The scope of the partnership includes preliminary technical, financial and risk analyses.



### **INDONESIA**

#### **PT Sarana Multi Infrastruktur (PT SMI)**

IA and PT SMI will collaborate on public-private partnership capacity building and enhancing the viability of infrastructure projects in Indonesia. Under the agreement, IA will help accelerate the preparation of government infrastructure projects, enabling them to secure private financing more quickly.



### **PHILIPPINE**

#### **Development Bank of the Philippines (DBP)**

The two parties will support Local Government Units in the Philippines in building private sector partnerships and develop more viable infrastructure projects.



### **PHILIPPINE**

#### **Public-Private Partnership Center (PPPC)**

IA is working with PPPC to assist Local Implementing Agencies in developing and implementing PPP projects in the Philippines. Singapore-based infrastructure players will share knowledge on international practices for PPPC's capacity building and policy formulation activities.



### **Asian Development Bank (ADB)**

IA and ADB will support sub-sovereign entities in Southeast Asia to develop sustainable infrastructure projects in the region. We will provide capacity building support to enhance the creditworthiness of projects.



### **Canada Department of Foreign Affairs, Trade and Development**

Canada and Singapore will enhance their cooperation and help ASEAN countries develop and launch infrastructure and smart cities projects.



### **Singapore Business Federation (SBF)**

IA and SBF will work together to increase the visibility of regional project opportunities for Singapore-based companies, and to market and match these companies to relevant project opportunities.



### **Singaporean-German Chamber of Industry and Commerce, and Association of German Banks**

The MOU facilitates partnerships between Singapore-based and German companies in Singapore and the region. It raises the awareness and visibility of regional infrastructure and business opportunities through information sharing and knowledge building, via workshops and marketing initiatives.



### **US Overseas Private Investment Corporation (now known as the US International Development Finance Corporation)**

The MOU will allow Singapore-based and US companies to work together on information sharing, deal facilitation, structuring and capacity building initiatives in various sectors. This allows them to better tap development and financing opportunities in Asia.



### **World Bank Group (WBG)**

IA and WBG will leverage each other's networks and expertise to drive knowledge building and exchange in Asia, as well as help Asian countries strengthen their capacity for infrastructure project structuring, financing, implementation and operation.



Roundtable Series with Asian Development Bank and Government of Canada, March 2019



Workshop with Global Infrastructure Hub and World Bank, April 2019



Optimising Investment Frameworks workshop for officials from the Association of Southeast Asian Nations, May 2019



Easing Traffic Congestion through Smart Cities workshop in Manila, Philippines, July 2019



Waste-to-Energy capacity building workshop in Ho Chi Minh City, Vietnam, October 2019



Dispute Resolution workshop in Beijing, China, December 2019

## Targeted Capacity Building

IA organises regular seminars, roundtables and knowledge-sharing sessions for foreign government officials to build their capacities in targeted areas of infrastructure development and financing.

In these sessions, representatives from Singapore government agencies and private organisations deliver relevant training topics and share expertise and case studies to help participants learn real-life applications of developing infrastructure projects. We held 16 of such sessions in 2019, and have more lined up in 2020.

## Case Study: Developing Evaluation Criteria for New Yangon City Infrastructure Projects

IA is working with New Yangon Development Company Limited (NYDC), which has been appointed to manage the development of New Yangon City (a 90km<sup>2</sup> development to the west of central Yangon), to share institutional and technical knowledge, as well as international best practices in project evaluation.

Tapping the knowledge and experience of various companies in the Singapore infrastructure ecosystem, we helped to scope the evaluation criteria for the development of power supply and distribution, natural gas supply and distribution, and cyber connectivity infrastructure under Stage 2 of the New Yangon City Phase 1 infrastructure projects.



Workshop for the players in the Singapore infrastructure ecosystem to have discussions with NYDC and the preferred expression of interest (EOI) applicant for power and supply distribution infrastructure.

## Case Study: Silk Road Fund – Surbana Jurong Co-Investment Platform

IA initiated and facilitated the formation of the China-Singapore Co-Investment Platform (中国-新加坡共同投资平台), which focuses on greenfield infrastructure projects in Southeast Asia, providing equity and debt financing.

The US\$500 million platform was set up by Surbana Jurong, a global urban and infrastructure consulting firm headquartered in Singapore, and Silk Road Fund, a medium- to long-term investment fund supporting China's Belt and Road Initiative.

We brought Surbana Jurong and Silk Road Fund together due to their complementary capabilities and common intent of investing in Southeast Asia. The platform is well-positioned to tap opportunities arising from the Belt and Road Initiative and aims to promote infrastructure development and connectivity, contributing to the sustainable economic and social growth of communities across the Belt and Road countries.



Left to right: Mr Seth Tan, Executive Director of Infrastructure Asia, Mr Wang Yanzhi, President of Silk Road Fund, Mr Liew Mun Leong, Chairman of Surbana Jurong and Mr Wong Heang Fine, Group CEO of Surbana Jurong at the signing ceremony.

*“Infrastructure development is an important driver of connectivity and economic growth. As Southeast Asia continues to grow and see huge demand for infrastructure, the opportunities for the China-Singapore Co-Investment Platform are immense.”*

*Wong Heang Fine  
Group Chief Executive Officer,  
Surbana Jurong*

## Case Study: Supporting Cambodia's Waste Management Needs

Waste management is a pertinent issue for many countries, including Cambodia, due to rapid urbanisation. To address this, IA has been working with local officials to identify and develop solutions for better waste management in its capital of Phnom Penh. IA suggested approaches to make the project more bankable.

Sharing Singapore's journey in waste management and developing waste-to-energy plants, IA recommended that the Cambodian government take a gated approach, starting with a pre-feasibility study, to assess the viability of a waste-to-energy plant for the city. Through Singapore-based advisors whom IA introduced, The Cambodian Ministry of Environment eventually appointed KPMG and Ramboll to conduct pre-feasibility studies for the Phnom Penh waste-to-energy project.



Meeting convened by IA for Cambodia's Ministry of Environment, KPMG and Ramboll to discuss pre-feasibility studies.



## WAYS TO PARTNER INFRASTRUCTURE ASIA



### **Share your focus areas and plans with us**

- Tell us your priorities so we can better match you to relevant counterparts



### **Partner us on specific projects and attend project sharing sessions**

- Attend our periodic project sharing sessions and approach us if there are project opportunities of interest



### **Approach us to journey with you**

- Share issues or pain points related to specific regional infrastructure projects
- Contribute to early-stage discussions or catalytic structuring and capacity building sessions



Infrastructure Asia supports Asia's economic and social growth through infrastructure development.

By harnessing the networks and collective capabilities of public sector agencies and private sector firms, we partner stakeholders across the region to meet Asia's infrastructure needs. We do this by:

- Connecting partners by matching solutions providers and financing to ready projects;
- Building capacity in demand markets; and
- Providing top-level project consultancy services to improve project viability.

For more information, please visit [www.infrastructureasia.org](http://www.infrastructureasia.org)