

PRESS RELEASE

ASIFMA AND ICMA RELEASE GUIDE TO INFRASTRUCTURE FINANCING IN ASIA

31 August 2016, Hong Kong - [ASIFMA](#) and [ICMA](#) today released the "[Guide to Infrastructure Financing in Asia](#)", which is the first comprehensive guide of its kind that outlines how infrastructure projects can be financed in Asia including through the capital markets. It is intended to help public authorities, project sponsors, project promoters and issuers interested in raising debt for infrastructure projects in Asia. ASIFMA and ICMA, which represent a variety of capital market participants, are committed to supporting the expansion of capital markets financing for all types of infrastructure projects.

The guide is designed to provide practical guidance on raising debt finance through banks and the capital markets, taking into account planning and procurement issues in the transaction process. In particular, the guide focuses on the debt component of financing, rather than equity, and describes the relative merits of the bond markets and bank financing; certain considerations to be taken into account by public procurement authorities and private sector entities; and considerations relevant to procurement and planning. While not specifically written for investors, this guide also sets out key credit considerations for project bond investors.

Contributors to the guide include experts from AIA, Allen & Overy, BlackRock, Clifford Chance, Credit Suisse, JP Morgan, Latham & Watkins, Moody's, Societe Generale, Thomson Reuters in addition to ADB, AIIB, CGIF and IFC.

Commenting on the report, Mark Austen, CEO of ASIFMA, said, "We believe that the guide will provide highly practical and timely information for funding the immense amount of infrastructure required in Asia in a challenging environment for bank lending and capital markets in a post GFC reforms world."

Martin Scheck, Chief Executive of ICMA, said: "There is a lot of scope for private investment in infrastructure projects in Asia, which has been hindered by a variety of uncertainties and a lack of detailed understanding of the financing process. The Guide will undoubtedly provide much-needed clarity surrounding financing options across Asia, while helping to grow and diversify the investor base for infrastructure assets."

Nicholas Wong, co-head of Clifford Chance's Worldwide Projects Group, offered: "The capital markets are going to be an increasingly important source of long term debt funding for large scale infrastructure projects as bank lending capacity comes under increasing pressure due to tightened global capital requirements. We are excited to be able to draw on our global experience to contribute to this Guide and to bring innovation and diversified liquidity to the region, which has such a huge need for new infrastructure. This Guide will serve as an important reference for governments, sponsors, underwriters and investors alike."

Gavin Munro, Head of Infrastructure Finance for Asia Pacific, Societe Generale Corporate & Investment Banking, commented: "With Asia's growing infrastructure needs to match its ongoing economic development, the Guide will be a useful source of reference for public and private sector entities in identifying and understanding funding options for infrastructure assets. Societe Generale is pleased to contribute to the development of the Guide with our long-standing experience in infrastructure finance in the region."

Key features of the guide include:

- Detailed insights on the different types of financing options; the mechanics of a loan or a bond issue; credit enhancement alternatives; highlights from AIIB, IFC and ADB; the credit review processes; the project bond and equity investor base; the marketing, pricing and issuance process; and disclosure and reporting best practices as well as key considerations for investors
- References to Asia Pacific specificities and how AIIB, ADB, IFC and CGIF can help infrastructure projects through funding, credit enhancement and/or guarantees
- Highlights of key considerations in infrastructure financing, including tailoring of financing choice to project needs, anticipating credit enhancement, ratings required by lenders/investors and the need for guarantees, considering the adverse impact of changes in laws/ regulations and being aware of the FX risk of a project

Please click [here](#) to access the guide.

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About ASIFMA

[ASIFMA](#) is an independent, regional trade association with over 90 member firms comprising a diverse range of leading financial institutions from both the buy and sell side, including banks, asset managers, law firms and market infrastructure service providers. Together, we harness the shared interests of the financial industry to promote the development of liquid, deep and broad capital markets in Asia. ASIFMA advocates stable, innovative and competitive Asian capital markets that are necessary to support the region's economic growth. We drive consensus, advocate solutions and effect change around key issues through the collective strength and clarity of one industry voice. Our many initiatives include consultations with regulators and exchanges, development of uniform industry standards, advocacy for enhanced markets through policy papers, and lowering the cost of doing business in the region. Through the [GFMA](#) alliance with [SIFMA](#) in the United States and [AFME](#) in Europe, ASIFMA also provides insights on global best practices and standards to benefit the region.

More information about ASIFMA can be found at: www.asifma.org.

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About the International Capital Market Association (ICMA)

ICMA represents institutions active in the international capital market worldwide and has over 500 members located in 60 countries. ICMA's market conventions and standards have been the pillars of the international debt market for almost 50 years, providing the framework of rules governing market practice which facilitate the orderly functioning of the market. ICMA's members in the Asia-Pacific region are supported by its office in Hong Kong. www.icmagroup.org

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