

## **HOM Welcome Remarks**

### **Public-Private Dialogue on “Paving the way for Indo-Pacific Infrastructure Development”**

**Embassy of Australia – May 14, 2019 - 12:30pm – 2:45pm**

Good afternoon.

It is a pleasure to welcome you here to the Australian Embassy, during Infrastructure Week, for this public-private dialogue on “Paving the Way for Indo-Pacific Infrastructure Development.” Thank you for joining us today.

We are pleased to co-host this event with our friends from the US Department of State. I am pleased that Manisha Singh, the Acting Under Secretary of State for Economic Affairs, is here and will join me in making some welcome remarks.

Our co-hosting of this event demonstrates how important the Indo-Pacific region is to Australia and the United States. It is the fastest growing region in the world. It is a region which presents huge opportunities, and also faces some growing challenges.

The annual AUSMIN meeting in 2018 – between the Secretaries of State and Defence on the US side and the Australian Ministers for Foreign Affairs and Defence, and held in California - focused intently on the Indo-Pacific region, and how our two countries can work together to enhance opportunities and help the region tackle challenges. Discussion covered regional security, but also the importance of economic growth that underpins prosperity and stability.

We know that infrastructure in all its forms is absolutely essential to prosperity and stability. And yet, the Asian Development Bank estimates that the region requires a massive \$26.2 trillion in investment between 2016 and 2030 to sustain growth and reduce poverty. This is surely one of the great challenges – and opportunities – of our time.

Australia comes to this issue with a proud domestic and international record.

At home in Australia, we are seeing an infrastructure boom. We are spending more public money on new transportation infrastructure than any other major developed economy. We have great private sector infrastructure asset managers – some of whom are represented here today - and sophisticated construction capability. We are ready to share our domestic experience, to help other countries make good infrastructure development choices.

We have been an active promoter of global infrastructure investment, working across many fronts.

When I hosted the G20 as Treasurer of Australia, we set up a Global Infrastructure Hub to enhance the quality and flow of infrastructure investments around the world.

As the co-chair of the G20 Infrastructure Working Group, Australia continues to work with other countries – including this year’s G20 host Japan – to help countries meet their need for quality infrastructure.

We provide substantial support to the World Bank, the Asian Development Bank, and the Asian Infrastructure Investment Bank to deliver large-scale, transformative projects.

We cooperate trilaterally with the United States and Japan, in a partnership that was announced by Vice President Pence and Prime Ministers Morrison and Abe at APEC in November 2018. This

partnership will tackle challenges such as bringing electricity to households who don't currently have it in Papua New Guinea. You will hear more about this cooperation during the panel discussions today.

We also work bilaterally with partner countries in the Indo-Pacific region, to help them formulate and deliver infrastructure development plans. The Australian Government has recently announced new initiatives in this area, including a \$2 billion Australian Infrastructure Financing Facility for the Pacific, and programs to provide policy and technical advice in Southeast Asia and South Asia.

Yet public funds and initiatives will never be able to fill the region's infrastructure gap. It is just too large.

That's why the private sector will be critical to this effort. We need to mobilize the plentiful private capital available, and help ensure that assets can find good returns in the Indo-Pacific region.

Clearly that isn't happening, at least not yet at the scale we need to tackle the region's \$26 trillion infrastructure gap. Why is that so? What are the first steps we can take towards unlocking the desperately needed capital?

We are here today to seek answers to these questions. We are here to explore the constraints facing the private sector in making investments in this vital region. And in doing so, we hope to focus efforts by governments - including the Australian and US Governments - and multilateral actors, to address those constraints, and unleash the power of private capital to address infrastructure gaps and spur growth.

We have a great keynote speaker today, Nick Butcher, from Macquarie Group, a champion Australian firm which is actually doing what we're here to talk about today: investing globally, including in the Indo-Pacific region.

We also have a great line-up of panellists who will give you a variety of perspectives - public sector, private sector and World Bank – on the topics of (i) mobilising private sector investment; and (ii) what can be done to create the project structures and pipelines needed to spur investment.

But I want to emphasise that this is a Dialogue – a conversation – between governments and the private sector. I encourage all of you to actively contribute your views and experiences. Only by doing so can we illuminate the specific obstacles we need to tackle and the opportunities to make real progress.

I very much look forward to the discussions, and again welcome you to the Embassy of Australia.

And I hope you can also join us again this evening, at our reception in this very space, from 5pm.

Let me now invite my co-host Manisha Singh of the State Department to join me in welcoming you.

Thank you.